





# Thousands in Madrid Protest Arms Build-Up, Membership in NATO

By James M. Markham  
New York Times Service

MADRID — Madrid on Sunday joined other West European capitals that have witnessed large demonstrations, with a rally that accentuated Spanish concerns over the future of the country's precarious democracy and its imminent incorporation into NATO.

"What will the allied countries of NATO say when they see that a half a million people have gathered in Madrid to say that they do not want to go into NATO without a referendum?" the 39-year-old Socialist leader, Felipe Gonzalez, rhetorically asked a cheering multitude in the heart of the Complutense University campus.

The Madrid Civil Governor's Office disputed the organizers' claim that 500,000 people attended the festive rally and rock concert, putting the figure at 100,000. But, whatever the true number, the demonstration was one of the biggest held in Spain since the death of Franco in 1975.

On Oct. 29, the lower house of the Cortes voted 186 to 146 in favor of Premier Leopoldo Calvo Sotelo's proposal to bring Spain into NATO. Mr. Gonzalez, the opposition leader, announced during the debate that his party, the so-

ond largest in the legislature, would hold Sunday's rally to press for a popular referendum on the question.

Since the parliamentary vote, reports of fresh unrest in the ultra-conservative Spanish military establishment have heightened fears of a coup attempt, which Mr. Gonzalez and other orators echoed Sunday.

"Once again we hear rumors of threats to our national coexistence," Mr. Gonzalez, who was the keynote speaker, warned, "and of people who want to return to the past. We want to live in peace. We do not want war, in Spain, or outside Spain."

The protest drew an eclectic collection of supporters, running from the Socialists and Communists and their respective unions to anarchists, feminists, homosexuals and fringe-left groups, who unfurled a muddy field waving banners and chanting slogans against NATO and calling for the removal of U.S. military bases from Spain.

Under a huge poster bearing the slogan "for peace, for disarmament and for liberty," popular radio personalities, including several who have just been removed from their posts in a government shake-up of the state broadcasting corporation, alternately presented rock and folk bands, read communiques, summoned parents to retrieve lost children and introduced speakers.

The crowd was mainly a mixture of young people and older working class supporters of the country's two main leftist parties. As the chief organizers, the Socialists seemed to set the tone for much of the rhetoric, which on international issues carefully balanced attacks on the United States with critical references to the Soviet Union.

"It is the same to us whether a missile comes from the East on its way to the West, or from the West on its way to the East," said Mr. Gonzalez, evoking the specter of nuclear war. "We protest if a people like Afghanistan is invaded, and we protest if there are interferences or pressures on the peoples of Nicaragua, Guatemala, El Salvador or Cuba."

Since last month's NATO vote, Mr. Gonzalez, who had been accused by party radicals of merely testimony to opposition to Spanish entry into the alliance, seems to have hardened his position. On Sunday he virtually promised that a Socialist government would remove Spain from the Atlantic pact after holding a referendum.

The Senate, which is controlled by the government Union of the Democratic Center, is expected to approve the NATO decision in the next few weeks.



Demonstrators on the Complutense University campus in Madrid carry a banner saying "No Thanks" to a nuclear war. The message was written between effigies of Presidents Reagan and Brezhnev. The Socialist rally Sunday was intended to promote "peace, disarmament and liberty."

## Solidarity in Silesia Seeks Candidates for Local Ballots

By Brian Mooney

WARSAW — Leaders of the Solidarity union in the major industrial region of Silesia have called on their members to start selecting candidates for local government elections.

The instructions issued by the Silesian branch and published in its information service amounted to a challenge to the existing electoral procedures. Under these procedures, all candidates for electoral office are chosen by the Communist-controlled national unity front.

Poland's Communist leaders have talked of expanding the generally discredited body into a new front of national accord and promised that it would not be just another meaningless facade. How far they are prepared to go in devolving power could be determined by their response to the Silesian initiative.

Local elections are due early next year and will provide the first nationwide balloting since the formation of Solidarity in August, 1980.

Solidarity is committed to free local elections and wants to raise the issue when it begins major talks with the government in Warsaw on Tuesday.

The Silesian Solidarity resolution called on all local branches to complete a registration of possible

candidates for local government bodies by the end of the year.

"The duty of all members of Solidarity is to contribute in a proper way to the holding of the elections, which must ensure that the best citizens are chosen," the resolution said.

The term of office of the present local councils expires on Feb. 5, 1982.

The authorities and Solidarity have both moved to calm the strike front in anticipation of Tuesday's talks, and by Sunday it looked as if they had largely succeeded, with the only remaining pockets of unrest involving students and farmers.

Dairy farmers called off a threatened strike and the mining minister signed an agreement with miners in Sosnowiec.

The minister, army Gen. Czeslaw Piotrowski, agreed that the miners would receive strike pay and promised an investigation into a gas-thriving incident that led to the stoppage.

The authorities maintained the policy of combining toughness and conciliation. Two leading Communists reiterated over the weekend that the use of force to resolve Poland's crisis could not necessarily be excluded forever.

But Deputy Premier Mieczyslaw Rakowski said that the policy was correct and challenged extremists in both Solidarity and the Communist Party to suggest a better alternative.

## Strain Seen With China

(Continued from Page 1)

Taipei and their ability to maintain their own political, economic and security framework," he said. "So these were not meaningless proposals."

U.S. said that during recent talks in Washington between Mr. Haig and the Chinese foreign minister, Huang Hua, the Chinese emphasized that Taiwan was the key issue between the two sides. The officials said that the Chinese told them that Taiwan could continue to receive U.S. arms at the level of sophistication that is already present on Taiwan, but that any increase would lead to a major setback in Peking-Washington relations.

Commitment Sought  
Moreover, the Chinese have said they want a commitment that U.S. military supplies to Taiwan will continue only for a fixed period, about five years, and will diminish in quantity yearly.

Such a demand is contrary to the Taiwan Relations Act, passed by Congress after President Jimmy Carter announced formal recognition of China commencing on Jan. 1, 1979. That act obliges the United States to supply Taiwan with military equipment to meet its legitimate defensive needs, and there is no time limit.

The administration is discussing Taiwan's request to upgrade its fighter aircraft. Taiwan has U.S. F-5E fighters, and in the past has expressed interest either in the F-16, in a less-advanced model known as the F-16-79, or an improved F-5, known as the F-5G.

Mr. Haig said in testimony before the House Foreign Affairs Committee on Thursday that no decision, even in principle, had been made on the question of advanced fighters.

"It is an extremely sensitive question in Peking," he said Thursday, "and we have to proceed with utmost respect for that sensitivity."

Spanish Fishing Boat Sinks  
LA CORUNA, Spain — The 160-ton Spanish fishing boat Aldabaran sank in heavy seas about 40 miles (64 kilometers) off this northwestern Spanish coast Saturday and all five crewmen were reported missing, authorities said.

## Suspect Held By French in Terror Cases Reprisals Threatened By Armenian Group

By Joseph Fitchett

PARIS — France is holding for investigation a man suspected of being an important member of a little-known Armenian underground organization that has puzzled police in many countries while claiming dozens of terrorist operations.

The extremist group — the Armenian Secret Army for the Liberation of Armenia — has threatened reprisals against French diplomats and Air France flights unless the man is released. Threats by this group are treated seriously, a French police spokesman said Sunday.

Earlier it was unclear whether the French authorities would hold the man, who was traveling on a Cyprus passport which gave his name as Dimitri Giorgin and his age as 33. He was arrested last Wednesday at Orly airport in Paris while attempting to catch a flight to Beirut.

Police found in his possession notices by the Armenian Secret Army claiming responsibility for terrorist operations against Turkish diplomats. He was also carrying press clippings about an attack on the Turkish consulate in Paris in late September.

Reports said the man has a partially healed bullet wound in his shoulder. In Rome last month, a Turkish diplomat managed to wound an Armenian gunman in the shoulder before being shot himself. The gunman escaped.

The day after the arrest of "Giorgin" at Orly, Armenian terrorists dynamited the Beirut offices of Air France and a French government cultural center. No one was hurt, but anonymous phone callers warned of further reprisals unless their comrade was released.

A French court ordered the release of "Giorgin" on Friday — a decision that Paris newspapers said was made on government instructions.

New Court Order  
But before the French police could put "Giorgin" on a Beirut flight Saturday, a new court order was issued, apparently after a high-level government decision, ordering him to be held for investigation. He was sent to Fresnes prison on charges of using false identity papers, a Justice Ministry spokesman said Sunday.

Anonymous phone calls over the weekend brought new threats from the Armenian Secret Army — this time to blow up an Air France flight in midair if "Giorgin" is not released. Security was tightened at Orly airport on Sunday.

France has been more entangled than any other European country in the struggle between Armenian urban guerrillas and Turkey. Turkey has demanded more protection for its diplomats in France, while Armenian activists have accused French police of collaborating with Turkish agents.

Five Turkish diplomats have been murdered in Paris since 1975, and six members of the Armenian Secret Army are in French prisons.

Controversial pro-Armenian statements have recently come from two Cabinet ministers in France's Socialist government — Interior Minister Gaston Defferre and Defense Minister Charles Hernu. They are parliamentary representatives, respectively, of Marseilles and Villeurbanne, cities with large communities of Armenians whose ancestors fled from Turkey after hundreds of thousands of Armenians were killed and others were forcibly resettled during World War I.

## WORLD NEWS BRIEFS

### Greeks Mark 1973 Student Revolt

ATHENS — More than 200,000 people, mostly students and young workers, marched through Athens Sunday to mark the eighth anniversary of the 1973 student revolt that brought about the downfall of the Greek military junta in 1974.

Many marchers carried placards with anti-American slogans as they marched to the U.S. Embassy. They also shouted slogans such as "Americans, assassins of the peoples" and "Greece out of NATO and the Common Market." At the head of the group, representing the ruling Panhellenic Socialist Movement, was the wife of the Premier Andreas Papandreu.

The organizing students committee demanded that the march end at the embassy since they hold the United States responsible for the seven years of junta dictatorship. Previous conservative governments refused to grant permission for the march to the embassy, but the newly elected Socialist government allowed it.

### Israel to Continue Saudi Overflights

TEL AVIV — Israel has told Washington that it will continue reconnaissance flights over Saudi Arabia unless the United States provides comparable intelligence data, the state-run Israel radio reported Sunday. In a reply to a reported U.S. inquiry about the overflights, Israel said it "will continue to take all the steps necessary for its security," Israel radio said. Israel said it would refrain from overflying Saudi Arabia only if the United States undertakes to supply "all the data [Israel] needs and the air photography becomes unnecessary," the radio said.

Last Monday, Saudi authorities said Israeli warplanes twice overflew northwest Saudi Arabia, a statement that an Israeli military spokesman declined to either confirm or deny. The overflights followed a statement by Defense Minister Ariel Sharon that Israel now views Saudi Arabia as a "confrontation state."

### Sattar Leading in Bangladesh Vote

DAKKA, Bangladesh — Acting President Abdus Sattar moved toward a landslide electoral victory in Sunday's presidential election, but his chief rival for the presidency charged the government with ballot rigging and intimidation of voters.

Mr. Sattar, 76, candidate of the ruling Bangladesh National Party, had received 341,047 votes compared to 53,338 for the Awami League candidate, Kamal Hossain, by mid-evening, election officials said. The returns covered 421 of the 21,873 polling stations.

At a news conference, Mr. Kamal, a former foreign minister, charged that the Bangladesh National Party had "manufactured" the results and that in the southern district of Jahalkati an Awami League worker was shot and killed by National Party "muscle men." An election commission official denied the charges. Mr. Sattar has been acting president since President Ziaur Rahman's assassination May 30.

### 16th World Chess Title Game Drawn

MERANO, Italy — Game 16 of the world chess championship ended in a quick draw Sunday, leaving Anatoly Karpov of the Soviet Union still one victory away from retaining his title.

The game had been adjourned Saturday evening on the 41st move, when experts said neither player appeared able to win. Mr. Karpov offered the draw after the 42d move in the resumed game Sunday, and challenger Viktor Korchnoi accepted.

Mr. Korchnoi, a 50-year-old Soviet exile, had narrowly beaten the clock Saturday to stave off defeat. He played very slowly in the middle of the game, leaving himself only 15 minutes to make his last 13 moves. Mr. Karpov has a 5-2 lead in the championship. The winner will be the first to reach six victories.

### 2d Shuttle Declared a Success

(Continued from Page 1)  
They had always expected to encounter problems. They noted with some pride after Saturday's landing that they had been able to cope with the difficulties.

Space experts said that two factors contributed to the Columbia's observational success on this mission. One was the inclusion in its payload of Earth-scanning instruments, the operation of which was largely programmed and automated. Readings recorded as the craft crossed the United States showed that all these devices were working well.

The other major contributing factor was the apparently proper functioning of the developmental flight information recorder. Most, if not all, engineering information that was to be collected by this system on the first flight was lost when, in the weightlessness of orbit, a plastic washer went adrift inside the recorder. The recorder jammed and, when it was removed after the mission, a close-packed tangle of useless magnetic tape was found.

A major achievement of the mission was the testing of a 50-foot mechanical arm. The remote-controlled arm is vital for future missions because it will be used to lift payloads out to orbit and to retrieve satellites for servicing.

A concern had been that the arm would not return to its storage rack in the spacecraft, thus preventing the cargo bay doors from closing. This would have made safe re-entry impossible. If a space walk failed to correct the problem, an explosive charge would have been detonated to jettison the arm. None of these steps was necessary. Curtailment of the mission, however, eliminated a planned rehearsal of preparations for such a space walk. Col. Engle was to have removed a space suit from the air lock designed for use in exiting the craft and to have put the suit on.

On the next mission the Columbia is to carry a special package designed to test the capability of the arm in handling cargo items. The package is to be lifted out into space, flexed in a series of exercises and then brought back.

Because of the shortened mission, only about half the data that were to be collected by Earth-scanning instruments were recorded. Nevertheless, collecting twice as much would not necessarily have doubled the value of the data. The experiments, for example, were designed to explore better ways to scan the land for mineral and petroleum resources and the seas for rich fisheries. Doubling the length of the observations, at least in some instances, would probably not have added greatly to the findings.

The preoccupation of the astronauts with the troubles that finally curtailed the mission had little effect on the collection of data. In the six orbits of their sleep period Thursday night, according to the flight plan, recordings were automatically made as the imaging radar's 30-foot antenna swept across selected target regions in Africa, South America, southeastern Asia and Central America.

In the same period, the infrared scanner was switched on over targets in Central Europe, the Mediterranean, southern Asia and Central America. This device scanned the same target at 10 infrared wavelengths in search of the wavelength that could be most revealing of mineral deposits.

Also in that sleep period, the ocean color experiment device was twice switched on as the Columbia flew over Asia's Pacific coast and once over the Mediterranean. The device records the emissions of chlorophyll, which is indicative of drifting plant life in the sea. This, in turn, usually shows where marine food resources are abundant.

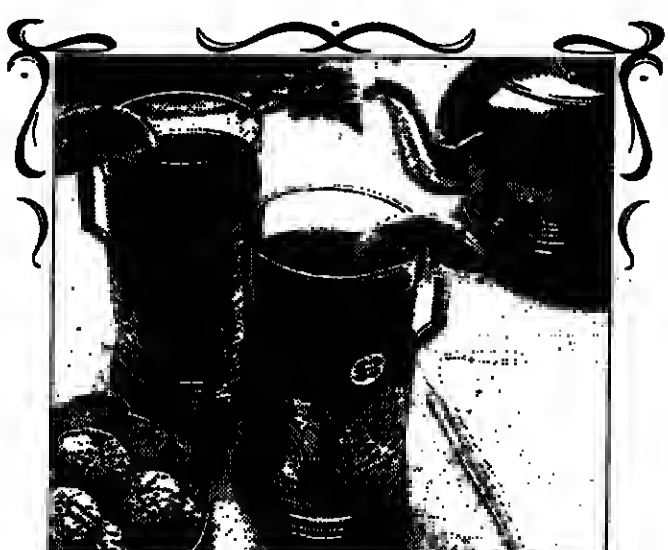
One experiment, dependent on the astronauts, was to photograph lightning flashes from orbit. It was carried out several times, notably over Australia. One loss on the mission has been observation of how the Columbia responds thermally to long exposures in space. The plan called for a variety of "sunbathing" tests in which the craft would expose its belly, and then its back and other surfaces, to full sunlight for an extended period.

Bomb Kills Man in Turin  
TURIN — Rocco Zucchi, 24, was killed Saturday when a bomb went off in his van, and police said they think he was murdered in a Mafia feud.

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## Pearl Harbor: Historians Split on What U.S. Knew

By Edwin McDowell  
New York Times Service

NEW YORK — Forty years after the Japanese air attack on Pearl Harbor, on Dec. 7, 1941, writers and researchers are still arguing over whether Washington had advance knowledge of that Sunday morning attack, which plunged the United States into World War II.

"At Dawn We Slept," by the historian Gordon W. Prange, to be published posthumously later this month by McGraw-Hill, argues that neither the evidence nor common sense justifies any other conclusion than the one reached in nine official investigations between Dec. 11, 1941, and July 15, 1946.

That conclusion is that the administration of President Franklin D. Roosevelt did not know in advance about the attack, which left more than 2,300 Americans dead and many warships and planes destroyed or damaged.

But two other books due to appear soon argue the opposite.

Shift in Toland View

John Toland, who won a Pulitzer Prize in 1971 for "The Rising Sun," a book about the war in the Pacific, asserts in "Infamy," which Doubleday is to publish in March, that well before the Japanese attack, Washington knew that Japanese carriers were heading for Pearl Harbor. This is a shift from Mr. Toland's view in "The Rising Sun," in which he expressed doubt that Roosevelt knew that the Japanese were coming.

In a telephone conversation from his home in Connecticut, Mr. Toland said he still disagreed with the position of "revisionists" who contend that Roosevelt was a "villain."

"He didn't have the Japanese in attack," the author said. "He just knew they were coming and allowed it for the national good."

John Costello, a British historian, argues in "The Pacific War" (Random House) that Roosevelt and his Cabinet made a commitment to enter the war on Nov. 26, 1941, before the Pearl Harbor attack, when a message was received in Washington, most likely from Winston Churchill, the British prime minister, that the Japanese were going to attack within two weeks.

Mr. Costello said that Roosevelt and Henry L. Stimson, the secretary of war, concealed the nature and origin of that information.

3,500-Page Manuscript

All three books are said to be based on official and unofficial sources. Mr. Toland said he also received "documentary evidence from a friendly nation."

Six months before Mr. Prange died, in May, 1980, Donald Goldstein, associate professor of public and international affairs at the University of Maryland, and Katherine V. Dillon, both of whom had been his students at the university, took over the task of editing the author's four-volume, 3,500-page manuscript on which he worked for 37 years down to its present 873 pages.

Mr. Prange intended to drop the five chapters on the "revisionists," but on hearing of the Toland and Costello books decided to condense those sections into a 12-page appendix that briefly summarizes and disputes the major revisionist arguments.

"Roosevelt did not plan the attack," Yamamoto planned it, 11 months in advance," Mr. Goldstein said, referring to Adm. Isoroku Yamamoto, Japan's naval commander. The admiral "even threatened to resign if the Japanese didn't do it," Mr. Goldstein said.

In the conclusion to the book, Mr. Goldstein and Miss Dillon said that Roosevelt made mistakes in 1941, as did almost everyone else involved in the Pearl Harbor episode.

"But in a thorough search of more than 30 years, including all publications released up to May 1, 1981," they write, "we have not discovered one document or one word of sworn testimony that substantiates the revisionist position on Roosevelt and Pearl Harbor."

## Strict Limits Reportedly Placed On Stockman Testimony, Power

By William J. Eaton  
Los Angeles Times Service

WASHINGTON — The Reagan administration will place strict limits on budget director David A. Stockman's congressional testimony and his authority to negotiate legislative deals, it has been learned.

The restrictions were prompted by disclosure of Mr. Stockman's criticism of President Reagan's economic program, published in an Atlantic Monthly article, informed sources said Saturday.

The sources, who asked not to be identified, said the limitations were needed to minimize the controversy over the 35-year-old budget director.

Mr. Stockman, who confessed to "careless rambling" and offered to resign last week, was asked to stay in his job by the president after a severe reprimand.

If Mr. Stockman follows orders, he will "stick to the budget figures" in appearances before Congress and not make economic forecasts or recommend huge tax increases to reduce future deficits, the sources said.

In addition, Mr. Stockman's negotiations with congressional groups will be taken over by others, including Max Friedersdorf.

## Democrat May Get Humanities Post

New York Times Service

WASHINGTON — The Reagan administration has decided against the controversial appointment of a conservative political theorist from Texas to head the National Endowment for the Humanities and plans instead to name to the post the president of a scholarly research center in North Carolina.

A high ranking White House official said on Friday the new chairman would be William Bennett and the appointment probably would be announced this week. Mr. Bennett, a Democrat, now heads the National Humanities Center in Research Triangle Park, which is between Raleigh, Durham and Chapel Hill, N.C.

Prof. M. E. Bradford is an English professor at the University of Dallas and a Republican, whose scholarly writings criticizing Abraham Lincoln aroused opposition from many Reagan supporters, especially those now described as neo-conservatives.

chief White House lobbyist with Congress, the sources said.

The changes would sharply reduce the policy-making role played by Mr. Stockman, who was a key figure in Mr. Reagan's budget-cutting victories last spring and summer.

A source said of Mr. Stockman's reduced role, "It's a way to use his talent as a budget master" without attracting political fire from Democrats whenever he appears on Capitol Hill.

Mr. Stockman also will be avoiding reporters during the coming months while the decisions are being made on Mr. Reagan's new budget, the sources predicted.

The changes would enhance the influence of Treasury Secretary

## Timberman Called Help to Argentina

The Associated Press

MONTEVIDEO — Argentina's foreign minister has been quoted as saying publisher Jacobo Timerman's allegations of anti-Semitism in the Argentine military government have won the country friends among American Jews.

Mr. Timerman was held under house arrest for almost two years before being stripped of his Argentine citizenship and expelled by the military government in 1979. In a book about those experiences he charged the Argentine regime with anti-Semitism.

The Uruguayan newspaper El Pais Saturday quoted Foreign Minister Oscar Camillón as saying in an interview that "the so grossly slanderous campaign started by Timerman has produced beneficial results for Argentina. People who in the first instances felt the impact [of it] because this gentleman presented Argentina as a fourth reich began to take us into account as never before. For example, we now have more friends than ever in the American Jewish community."

Donald T. Regan, the chief economic spokesman for the administration, who has been at odds with Mr. Stockman over tax policy recently.

While the low profile would be a dramatic reversal for Mr. Stockman, budget directors in the past traditionally have stayed more aloof from economic policy-making than he has.

Mr. Stockman's now-abandoned plan to reduce Social Security benefits, his losing fight for a major cut in defense spending and his abortive plan for a \$16 billion package of tax increases and spending cuts have kept the budget director in the news.

But the furor over his criticism of the Reagan economic program have raised serious doubts about Mr. Stockman's value to the administration, the sources said. Senate Majority Leader Howard H. Baker Jr., Republican of Tennessee, has said the damage may be so severe that Mr. Stockman may have to leave his post. Thirty-two Republican senators, however, rallied to Mr. Stockman's defense, publicly urging the president to keep him in the key position.

Others Urge Dismissal

However, other Republicans in Congress who were outraged by Mr. Stockman's remarks, have privately advised Mr. Reagan to get rid of him now, the sources said.

Some of the president's advisers fear that other damaging quotations from Mr. Stockman may be disclosed later, creating more controversy, the sources said.

In the article, Mr. Stockman was quoted as saying that the president's proposal for a three-year, 30-percent cut in tax rates was a "Trojan horse" meant to secure passage of a large tax cut for wealthy investors.

He also said that Mr. Reagan's economic program was based on a traditional "trickle-down" theory that cutting taxes heavily for the rich eventually would benefit the middle-income and lower-income groups as the wealthy spend and invest more.



TURKEY HUNT — President Reagan joked with reporters as he left for a turkey hunt Saturday on a Texas ranch. At the wheel is his chief of staff, James A. Baker 3d. Behind Mr. Baker is Michael K. Deaver, deputy chief of staff; next to him is a Secret Service agent.

## VOA Weighs Shift in Foreign-Language News Selection

New York Times Service

WASHINGTON — The new director of the Voice of America, James B. Conkling, has told his staff he is considering allowing the network's foreign language broadcasters more leeway in selecting and interpreting the news provided them by the agency's central news division.

Such a course would reverse a longstanding rule that prohibits broadcasters in the VOA's 38 foreign-language sections, many of whom are émigrés or refugees with strong adversary attitudes toward the countries they fled, from altering or substituting news items. VOA employees say East European exiles have been among the most strident in arguing that their broadcasts should be allowed to reflect strong anti-Communist feelings.

Internal Controversy

The Voice of America has been embroiled for several months in an internal controversy over what many journalists within the organization see as a move toward propaganda and away from the hard-won right to resist pressures from any administration in power, a right finally supported in a 1976 charter requiring the VOA to broadcast "accurate, objective and comprehensive" news.

Several top VOA officials have been replaced by Mr. Conkling, an entertainment industry businessman appointed this year by President Reagan. One of the officials who was replaced, M. William Haratunian, the deputy director, has circulated a farewell memorandum to the senior staff saying that there was "severe apprehension" among professionals in the organization.

"It is my concern," Mr. Haratunian said in the memorandum, "that lack of mutual trust between political appointees and professional broadcasters has created an adverse atmosphere at VOA. This risks damaging VOA's credibility, and therefore its ability to serve as a truly national voice of our country."

## U.S. Interior Secretary and His Opponents Reap Profits From Environmental Combat

By Philip Shabecoff  
New York Times Service

WASHINGTON — Under the circumstances, Interior Secretary James G. Watt might be the best thing that could have happened to the nation's environmental groups. And vice versa, as it is turning out.

In maneuvering through this city's political labyrinth, finding the right enemies is often as important as finding the right friends. It appears that Mr. Watt and the environmentalists could hardly have asked for more rewarding adversaries.

Unrelenting criticism by the environmentalists, members of Congress and news organizations has transmuted Mr. Watt into a martyr of the Republican right and one of his party's most successful fund-raisers. Thanks to his adversaries, he is more in demand as a speaker at Republican rallies than other Cabinet colleagues.

The environmental groups, aghast at Mr. Watt's boldly proclaimed policy of shifting the thrust of U.S. land management from conservation toward accelerated development of resources, began attacking him even before he took office. He became a symbol of the Reagan administration's environmental policy and a focal point of environmentalists' resistance.

The environmental groups discovered that their fight with James Watt was an excellent base on which to build membership and fund-raising drives. Money and membership applications began to pour in.

"This is the best year in Sierra

Club history," said J. Michael McCloskey, executive director of the environmental group, in a report on the club's surge in money and members shortly before it presented to Congress a petition bearing a million signatures for the removal of Mr. Watt as secretary.

Most of the major environmental groups reported similar experiences. Thousands of Americans responded with money and personal involvement to what they perceived as a threat posed by Mr. Watt's policies.

However, the environmentalists insist that Mr. Watt is at best a mixed blessing.

Quick Spending

"Sure our membership is up, but Watt and Gorsuch are a heavy price to pay," said William A. Butler, vice president of the National Audubon Society. Anne M. Gorsuch is administrator of the Environmental Protection Agency. Her policies have also come under heavy attack by environmentalists.

William A. Turnage, executive director of the Wilderness Society, said that while his group had expe-

## U.S. Recommends Oil, Gas Drilling In Wyoming Area

New York Times Service

NEW YORK — The U.S. Forest Service has proposed that oil and gas drilling be allowed on more than 89,000 acres of the Washakie Wilderness, a rugged 687,000-acre preserve in northwestern Wyoming that is among the last remaining habitats of the grizzly bear and bighorn sheep.

The recommendation was announced on Friday in Denver by Craig Rupp, the service's regional forester for a five-state area, including Colorado and Wyoming. The proposal will now undergo a 60-day period of public review before Mr. Rupp passes a formal recommendation on to the Interior Department's Bureau of Land Management, which issues the leases that permit energy companies to engage in mineral activity on public lands.

More than 150 lease applications are pending inside the Washakie, an area of steep canyons and cliffs in the Wyoming high country adjacent to Yellowstone National Park.

Mr. Rupp said that a study by the Forest Service had concluded that the level of mineral activity recommended would have a minimal impact on the wildlife and aesthetic qualities of the Washakie. He said no leasing activity would be allowed anywhere near areas that the service defined as critical to grizzly bear habitat. He said such activity would be limited to land just inside the boundaries of the preserve.

The Washakie announcement follows by one day the disclosure of the issuing of the first leases to allow energy companies to explore for oil in a wilderness area. Two companies were given three leases by the Bureau of Land Management to develop oil and gas resources in the Capitan Wilderness of southwestern New Mexico.

rienced a sharp increase in resources as a result of Mr. Watt. "We are spending a lot of money to cope with Watt. And we are worried about the long-range damage he can do to environmental policies."

Mr. Turnage added, however, "In the long run he is building up our membership base and energizing people to defend the environment."

Mr. Watt, meanwhile, originally was taken aback by the intensity of the environmentalists' attack on him and says he has suffered personally. Even his mother and father, he said sorrowfully, complained to him about his being too "harsh" and "tough."

But Mr. Watt has now discovered that the attacks on him and his counterattacks against the "extreme environmentalists" have made him the champion of large sectors of the Republican Party and of the business community.

"Doonesbury" has made me a folk hero," said Mr. Watt, referring to the comic strip that has frequently poked fun at him.

According to Mr. Watt's spokesman, Douglas Baldwin, Mr. Watt is the most successful fund-raiser in the Republican Party after President Reagan.

"In part," Mr. Watt said in explaining his success, "it is sympathy for me as one who has the courage to stand there and take the battering."

He also believes that what he perceives as the shrillness of the attacks by the environmentalists has reduced the credibility of the opposition to his policy initiatives.

In short, Mr. Watt and the environmentalists seem joined in a symbiosis of the sort that keeps Washington lively.

## Red Cross Names Areas Refusing Visits to Prisoners

From Agency Dispatches

MANILA — The 24th International Conference of the Red Cross has named, for the first time, the conflict areas in which Red Cross workers are prevented from visiting prisoners of war.

About 800 delegates from 121 countries passed Saturday a resolution "deploring in particular the fact that the ICRC is refused access to the captured combatants and detained civilians in the armed conflicts of Western Sahara, Ogaden and later Afghanistan."

During debates earlier this week, several delegates led by the Soviet bloc recommended that the conflict areas should not be named. The Swedes insisted that naming areas rather than combatants was not political. The Red Cross is bound by its rules to strict neutrality and noninvolvement in political matters.

The only formal vote at the closing session was on a resolution that declared Israeli settlements on the occupied West Bank and Gaza Strip to be incompatible with the fourth Geneva Convention concerning occupied territories. Israel denies that the convention is applicable in what it calls the "administered territories."

## "Market Research has shown... that Lufthansa business travellers would be very disappointed if they did not have a First Class option."

Financial Times (London), 27. 7. 81



Lufthansa is keeping First Class in Europe. On all intercontinental routes we offer the legendary Senator Service. And the comfort of a Business Class on most long-distance flights. Because we believe that you should have the freedom to choose.

## Regan In China For Trade Talks

The Associated Press

PEKING — U.S. Treasury Secretary Donald T. Regan said Sunday he hopes U.S.-China trade talks here this week will enhance private investment on the Chinese mainland.

Mr. Regan is leading the U.S. delegation to the second annual meeting of the U.S.-China Joint Economic Committee. U.S. Treasury officials have said they hope to start talks in Peking soon on an income tax treaty that would include agreement on aviation and shipping earnings taxes.

Regan told reporters meeting him at the airport he hopes the commission will "deepen relations, especially private investment," in China.

## Guatemala Guerrillas Slay 23, Military Says

United Press International

GUATEMALA CITY — Guerrillas have reportedly killed 23 peasants in a western Guatemala town and shot up a luxury car with submachine-gun fire, killing a wealthy rancher, his wife and another woman in Guatemala City.

Military officials said leftist guerrillas were responsible early Friday for the slaying of 23 peasants in the town of Joyabaj, but gave no details of the alleged leftist involvement.



**Lufthansa**  
German Airlines



## U.S. Rapid Deployment Force Unit Drops Into Egypt for War Games

By Loren Jenkins  
Washington Post Service

**WESTERN DESERT, Egypt** — A reinforced battalion of crack paratroopers has parachuted into the Egyptian desert after a nonstop flight from the United States in the most ambitious test of the two-year-old U.S. Rapid Deployment Force.

The airdrop Saturday, the first exercise of a series of joint Egyptian-U.S. military maneuvers, was called Operation Bright Star 82, coinciding with the conclusion of the 40-day Moslem mourning period for Anwar Sadat, who had helped plan the exercises aimed at training U.S. and Egyptian troops to react to any threat in this volatile region.

Within hours after the airdrop of 865 men from the 82d Airborne Division and their 180 tons of equipment into a desert landing zone 40 miles northwest of Cairo, Jihan Sadat, Sadat's widow and her four children, accompanied by the self-proclaimed shah of Iran, Reza Pahlavi, visited the temporary tomb of the late Egyptian president in the Cairo suburb of Nasr for private prayers.

Sadat's successor, President Hosni Mubarak, delivered a

speech urging Egyptians to join forces for national reconciliation and to bring about the sort of economic and industrial reforms that might stifle the Moslem fundamentalist terrorism that led to Sadat's assassination on Oct. 6.

"The world is watching us closely, fearing that the causes for which Sadat lived may be threatened by his death," the Egyptian president said. "But words are not enough. We must honor the memory of Sadat by translating his dream and hope into action. This is our challenge, we must not fail."

The exercise, part of a month-long operation that involves 4,000 Americans in Egypt and 2,000 in exercises in Sudan, Somalia and Oman, had been preceded by a 10,000-foot night airdrop of a team of Special Forces Green Berets and an Air Force Command Control Team to secure the landing zone.

Saturday morning, after a squadron of A-10 Thunderbolt-2 tactical fighter bombers had staged 10 minutes of runs over the sandy drop zone, a flight of two dozen C-130s and C-141 Starliners — six of which had flown with 602 paratroopers of

the 82d Division's second battalion, 14 hours nonstop, from Fort Bragg, N.C. — swooped in over the desert to disgorge their men and material in a near-perfect parachute drop that lasted barely six minutes. They then linked up with a battalion of the mechanized 34th Infantry that had flown into Egypt, with its M-60 tanks and M-113 armored personnel carriers coming by sea.

After watching from a reviewing stand a mile from the drop zone, Lt. Gen. Robert C. King, the head of the Rapid Deployment Force, said, "It was a good exercise, a good drop."

He said that while in an emergency it would take four full days for a similar force to be flown to the area, he could put one airborne battalion into the region "within 24 hours."

The significance of the exercise was that for the first time since the Rapid Deployment Force was created March 1, 1980, it had managed to fly a full combat contingent overseas and land it ready to fight. Only one vehicle, a Gamma Goat, was damaged in the drop when its parachute failed to open properly. A major, whom the military refused to identify immediately,



U.S. troops landing near Cairo for the start of military exercises in the desert.

broke a hip, and two other paratroopers were slightly injured in landing.

The marathon flight was deemed a successful test of the Rapid Deployment Force's newly developed scheme to avoid "jet lag" by its fighting troops during long flights overseas.

U.S. military officials here said the airborne troops were "programmed" for the transatlantic flight by gathering them early at Fort Bragg, where they were quickly put on Egyptian

time and sleep and feeding schedules. In the air during the night they were given a high-carbohydrate diet as soon as they boarded their planes, then allowed to go to sleep for eight hours on litter while the plane's temperature was raised to 80 degrees to induce sleep. Hours before reaching Egypt they were awakened, fed a high-protein diet of ham omelets and fruit, rigged for parachuting and dropped.

The airborne and mechanized

infantry battalions will spend the week in small-unit training operations with their Egyptian counterparts and exchange tactics and compare equipment with Egyptian units. Later this month the 4,000-man U.S. force will join a similar force of Egyptians in two days of maneuvers in the Western Desert that will be highlighted by a live, low-level bombing run by a squadron of B-52 bombers flying nonstop out of Minot Air Force base in North Dakota.

## U.S. and India Remain Split on Terms Ending 18-Year Nuclear Pact

By Don Oberdorfer  
Washington Post Service

**WASHINGTON** — The United States and India appear headed for a messy and damaging nuclear divorce following the failure of negotiations last week aimed at arranging an amicable end to their 18-year-old, atomic-power relationship.

While the two sides made public only a bland and noncommittal communiqué Friday, official sources confirmed that senior U.S. and Indian representatives made no progress in their talks at the State Department on Thursday.

The negotiations were the third in a series of fruitless efforts over the last several months to find a formula for ending the 1963 pact under which the United States has supplied atomic fuel and know-how for India's nuclear power reactor at Tarapur, near Bombay. India is balking at retaining international safeguards on nuclear fuel supplied by the United States.

**Possibility Remaining**

With India telling the United States that time is running out on negotiations, about the only remaining possibility for agreement hinges on separate visits to New Delhi within the coming month by Assistant Secretary of State James L. Malone, who was the highest-ranking U.S. negotiator in the nuclear-pact talks, and by Secretary of State Alexander M. Haig Jr.

Mr. Malone is to take advantage of a previously scheduled meeting of the U.S.-India Science and Technology Commission from Dec. 7 to Dec. 9 to try again to end the disagreement. Mr. Haig is scheduled to visit India in mid-December on a trip that will also take him to Belgium, Pakistan, Sri Lanka and Morocco.

Since the Reagan administration's first talks with India on the issue, last April in Washington, the United States has been unable to get India to accept the Tarapur pact. The Carter administration, which was divided on the issue, was able to continue selling fuel to India only after presidential intervention with Congress and a narrow victory in the Senate.

At the center of the negotiations are the terms of a cancellation, especially the U.S. insistence that international safeguards should be continued indefinitely on the fuel and equipment already supplied.

India has refused to accept the continuation of international safeguards as proposed by the United States. Citing increased political pressure at home, the Indians reportedly have been hinting at a unilateral declaration renouncing the nuclear agreement on grounds that the United States has failed to keep its part of the bargain.

**Such an outcome, in the U.S. view, could be a painful blow to international efforts to police the uses of nuclear fuel and curb the spread of nuclear weapons.**

The practical and political consequences in South Asia could be serious, adding momentum to a nuclear-weapons race between India and Pakistan. The global consequences could be equally dismal because of the precedent it sets: It would be the first case of international safeguards being dropped after once being in place under a negotiated agreement.

**U.S. Warns on Relations**

The United States has made it clear, according to reports, that Indian renunciation of the nuclear pact without agreement on continuing safeguards could seriously damage the already-troubled relationship between the countries.

Failure in the Indian negotiations could also set back the Reagan administration's policies on atomic-weapons proliferation.

Though administration officials have argued that they were "painted into a corner" by the 1978 Nuclear Non-Proliferation Act and the policies of the Carter administration, a bitter nuclear divorce with India is likely to be harmful to any drive in Congress for greater flexibility in the nuclear-export field.

Through the main difference has appeared intractable, progress is reported to have been made on related questions. India is reported to be willing to pledge not to use the U.S.-supplied fuel for a nuclear detonation or to transfer U.S.-supplied fuel or technology to third parties. The United States is reported to have eased its stand on reprocessing of the U.S.-supplied fuel.

## France, India Sign Pacts on Cooperation

**PARIS** — France and India plan to strengthen their cooperation in several areas, particularly in the development of energy sources, according to a joint communiqué issued Saturday by French Prime Minister Indira Gandhi's official visit to France.

It is unlikely, however, that any agreement will be reached immediately on a contract for India's purchase of 150 Dassault Mirage-2000 fighter aircraft.

Indian officials were in French last month for talks with French military specialists about the \$3-billion deal for France's most advanced fighter-bomber. But Mrs. Gandhi said last week that she did not expect any commercial contracts to be signed during her visit.

**4 Agreements Signed**

Officials from the two countries have signed four cooperation agreements, including one creating a high-level group that will conduct regular consultations on energy questions, particularly in the areas of coal, hydro-electricity, hydrocarbons and new energy sources.

The agreements, signed by the Indian foreign minister, P.V. Narasimha Rao, and Claude Cheysson, the French minister for external relations, also provide for joint exploitation of several Indian mines, a French spokesman said.

Other accords cover technical, scientific and industrial cooperation on environmental matters and in petroleum and petrochemical areas.

**Aiding Third World**

Under its new Socialist government, France has been spearheading a global effort to help underdeveloped nations get their economies on track.

This stance has found favor with the Indians, and the communiqué said the two countries will work together closely for "the establishment of a new international economic order."

Without making any direct allusion to the presence of Soviet troops in Afghanistan or the crisis in Cambodia, the communiqué also said, "France and India denounce [foreign] interference, and particularly in countries incapable of constituting by themselves a threat to anyone."

The French External Affairs Ministry announced that Mrs. Gandhi had invited Mr. Manmohan Singh to visit India. A similar invitation already had been extended to the French president, the ministry said.

## Bourguiba's Illness Raises Succession Issue in Tunisia

By Pranay B. Gupta  
New York Times Service

**TUNIS** — With Tunisia's 80-year-old president reported to be seriously ill with an undisclosed illness, politicians are increasingly concerned with the problems of succession.

One of the problems is that Habib Bourguiba, the president for life, is said to have blocked potential successors or rivals from gaining independent positions of prominence.

It is unclear whether Mohammed Mzali, a former Arab professor who was named premier last year, has sufficient support in the ruling Destourian Socialist Party to be nominated to succeed Mr. Bourguiba.

The premier, under Tunisian law, would become acting president at Mr. Bourguiba's death until an election could be held.

**Open Elections**

Party sources say that Mr. Mzali, 55, has been undercut by rivals such as Public Works Minister Mohammed Sayah and Interior Minister Driss Guiga.

They were reported to have opposed Mr. Mzali when he asked Mr. Bourguiba to allow opposition groups to run in the national election Nov. 1 for the first time since Tunisia became independent from France in 1956.

The ruling party and its electoral ally, the Tunisian labor union federation, won all 136 seats in the new assembly, and Ahmed Mestiri, head of the opposition Movement of Social Democrats, accused the interior minister of rigging the balloting. In addition, the public works minister was accused by opposition groups of sending party militiamen to intimidate voters. The officials denied the charges.

"We were hoping that the election process would be a step toward authentic democracy," Tayeb Barhouche, the secretary-general of the labor federation, said in an interview. "But now I don't think there will be any effective power-sharing by the Bourguiba regime."

## 6 Suspects Arrested In Milan Police Murder

**MILAN** — Two men were arrested minutes after a police officer was shot to death in Milan's central railway station.

The men declared themselves political prisoners and members of the Prima Linea, Front Line, guerrilla group. Police sources said notes and addresses found on them Friday led to the arrests Saturday of two couples in connection with the murder.

## Senegal and Gambia Announce Details of Confederation

By Thomas Kamm  
International Herald Tribune

**PARIS** — Senegal and Gambia have signed an agreement that unites the two nations in a confederation called Senegambia, according to a joint communiqué published this weekend. The two nations had announced plans three months ago to form such a confederation, but had not until now spelled out its details.

Under the agreement, Senegal and Gambia remain sovereign states, but are integrating their security forces and their communications network. In addition, they have formed an economic and monetary union and will coordinate their foreign policies.

The pact was signed Saturday by President Abdou Diouf of Senegal and President Dawda K. Jawara of Gambia at the end of a three-day official visit to Gambia by Mr. Diouf. Senegal's president becomes president of Senegambia, and Sir Dawda is the vice president of the confederation. However, Amadou Cisse, Senegal's ambassador in France, emphasized in an interview Sunday that the two nations continue to exist as separate entities and that "Gambia remains a sovereign state for everything that has not been confederated."

Although the idea of an association between Gambia, a tiny Eng-

lish-speaking country, and the French-speaking nation that surrounds it was first raised more than 20 years ago, it was given an urgency last August, when 2,000 Senegalese troops, acting upon the request of Sir Dawda, intervened to restore him to power after a group of rebels professing Marxism-Leninism attempted a coup while he was abroad.

Senegal's intervention was justified by a 1965 Mutual Defense and Security Agreement, which allows Senegal to send troops if its national security is endangered by events in Gambia. Gambia puts into Senegalese territory like a pointed finger, nearly bisecting the country and cutting it off from its southern province of Casamance.

**Union Long Suggested**

The 18th-century struggle between the British and the French for the control of the West African Coast created the two countries, which are populated by the same ethnic groups, speak the same local languages and share the Islamic religion. Because of their colonial history they have different institutions, modeled on those of their colonizers, and urban elites that are French-speaking in Senegal and English-speaking in Gambia.

Gambia's size and geographical position have given rise to a number of unflattering descriptive metaphors — an accident of history, a relic of the territorial eccentricity of colonial times or, more prosaically, a thorn in Senegal's foot — and even before it attained independence in 1963, a United Nations study commission had recommended a political union with Senegal.

The urban elite in the Gambian capital of Banjul had long been opposed to a close association between the two states because it feared that Gambia would be swallowed by Senegal, which is 17 times larger and nearly 10 times as populous. But in a press conference in August, Sir Dawda declared that the coup attempt had "opened our eyes to the need to go further" in cooperating with Senegal.

Shortly after the attempted coup, Senegal and Gambia merged their security forces. An estimated 1,100 troops remain in Gambia, and a diplomat based there said that "the Senegalese are obviously not going to go." Diplomats view the present plan as a way of satisfying the main Senegalese demand while maintaining Gambia's sovereignty.

**Sensitive Customs Issue**

But the agreement on an economic and monetary union provides for common customs regulations — a sensitive issue that could prove damaging to Gambia's econ-



Habib Bourguiba ... in 1972

The names most frequently mentioned as possible candidates by people in the ruling party these days include the party's secretary-general, Moggi Kooli; Mr. Cisse, Foreign Minister; Baji Cisse-Siss; Mr. Sayah, and Abdallah Farhat, a former defense minister.

## Turkey's Premier Appeals For Military, Economic Aid

**ANKARA** — Premier Bulent Ulusu has reiterated that the junta planned to restore parliamentary democracy and he appealed for more economic and military aid in view of what he termed Turkey's "special place" in the Atlantic alliance.

Speaking at a news conference on Saturday, he announced no new steps to mollify the West Europeans, who have threatened to curtail aid unless the junta moves toward re-establishing democracy.

"We hope that our friends and allies will be able to realize the extent of grave consequences that might be caused by wrong assessments hastily made under the influence of false claims for all free and democratic Europe," the premier said.

He declined to answer a question regarding European criticism of the dissolution of political parties and the jailing of former Premier Necmettin Erbakan, the premier said.

He declared that the case came under the jurisdiction of the courts, which were independent, and he said that he could not comment.

There has been an undercurrent of criticism in Western Europe since the military took control, closing the parliament, banning political parties and restricting press and union activities. But the criticism has been generally outweighed by the fact that the junta appeared popular because it succeeded in curbing political terrorism and restoring law and order.

The junta has pledged to restore parliamentary democracy, but without setting a time. Since the military relinquished power after two earlier interventions, in 1960 and 1970, it was believed it would again honor its pledge.

The present crisis in relations with Western Europe developed with the closing of political parties and confiscation of their properties last October.

Gen. Kenan Evren, the Turkish leader, justified the action on the ground that the parties had been responsible for the chaos that prompted the military takeover. He said the country needed new political parties.

Mr. Evren, a Social Democrat, has claimed "the constitutional right of rebirth" and issued a statement defending the Republican People's Party, whose government was overthrown in the coup of September, 1980. He also made a mild criticism of the rule, in defiance of military decrees.

He was brought before a military court and sentenced to four months in prison under a decree that bars politicians from making political statements.

Mr. Evren, who is now waiting at home for the military commander to confirm the sentence, has received messages of support from European Socialist parties. Some of them have also protested to the Turkish government.

Because of Gambia's low import duties, a number of trading firms established in Banjul imported much more than Gambia consumed and fraudulently re-exported the extra goods to neighboring countries, particularly Senegal, depriving the Senegalese of customs levies.

This practice, which Senegal calls smuggling but that businessmen in Gambia call re-export trade, is along with tourism and peanut production, one of Gambia's main sources of revenue. Businessmen fear that readjusting Gambia's customs duties to fit Senegal's regulations will entail economic losses as to make Gambia an unviable state. "Gambia lives only because the customs duties are lower here than elsewhere," one of them, who asked to remain anonymous, said. "The day that customs levies are the same here and in Senegal, Gambia will become a Senegalese province."

Diplomats in Banjul and Dakar, the Senegalese capital, said in interviews that Gambia would have to "pay a price" for the Senegalese intervention which saved Sir Dawda from being deposed. Sir Dawda "will soon find out that the assistance he was given was not out of pure fraternal charity," an African diplomat said. "Fraternity exists only between people, between states, only [national] interest counts."

## Libya Denounces Exxon's Pullout as Illegal, But Its Oil Company Says Talks Are Possible

**BEIRUT** — Libya has accused Exxon, the world's largest oil company, of breaching a contract and violating Libyan law by relinquishing its concessions in Libya. But Libya's national oil company said the dispute might be resolved through negotiations.

Exxon announced Thursday in New York that it had notified the Tripoli government Nov. 4 that it was pulling out of Libya, where it once produced an average of 100,000 barrels of oil a day. Mobil Corp. said Friday it had been in discussions with Libya about its operations in the country, and a spokesman said, "We are studying the dispute."

The Libyan Oil Ministry, in a statement issued Saturday by the official news agency JANA, confirmed Saturday that it had received the notice from Esso Standard Libya Inc. and Esso Sirte Inc. The two companies, both of which are 51-percent owned by Libya, are Exxon affiliates.

The ministry said it had told the companies that their behavior did not conform to Libyan law and "was tantamount to failure to carry out the legal commitments and a unilateral breach of contract."

**Negotiations Possible**

In a separate statement reported by JANA, the Libyan national oil corporation said differences might be resolved through negotiations.

The oil corporation said it did not recognize the conduct of the two companies and reserved the right "to take whatever measures it deemed appropriate" to protect its rights.

Exxon has given no reason for its move, and the Libyan statements shed no further light on it.

Some oil industry analysts said Exxon's motive could be purely economic, because Libyan oil is among the most expensive on the market despite a recent price reduction.

But observers noted that the announcement of the pullout comes against a backdrop of sharply deteriorated political relations between the United States and Libya.

**Embargo Advocated**

JANA also reported Saturday that the Libyan oil workers union had called for an Arab petroleum embargo against the United States to protest U.S. military cooperation with Egypt, Oman, Sudan and Somalia. The union also condemned the current Operation Bright Star 82 military exercises that U.S. forces are staging with Egyptian troops. Lesser exercises are being held with Somalia, Sudan and Oman.

In an appeal to all Arab nations, the Union of Petroleum, Mining and Chemical Workers said, "You must rebel against American exploitation and decide on a petroleum embargo against America, which uses our petroleum to run its airplanes and fleets against us."

Meanwhile, in Palm Beach, Fla., Secretary of State Alexander M. Haig Jr. was asked about the possibility of the United States imposing a ban on the import of Libyan oil, in retaliation for that country's actions beyond its borders and its alleged support for terrorism.

He replied that a study on that subject was under way, and that the United States had to be careful that "we don't shoot ourselves in the foot" as he said had been the case in the partial embargo of grain to the Soviet Union imposed by the Carter administration.

But he added, "I do not think that applies in this particular case on oil."

He added, however, that with Libya appearing to withdraw its troops from Chad, "we are in a very dynamic situation." Mr. Haig mentioned Exxon's plans to stop oil activities in Libya, and he noted that the administration had previously urged American citizens to "get out" of Libya.

Libya's ruler, Col. Moamer Qadhafi, has often called for an oil embargo against the United States. The United States currently gets less than 5 percent of its oil imports from Libya.

**Pakistan Parties Say U.S. Aid Deal Only Benefits Zia**

**ISLAMABAD, Pakistan** — Leading Pakistani opposition parties have issued a joint statement sharply attacking a proposed \$3.2-billion aid and arms credits package, which is currently before the U.S. Congress.

They charged that the deal will benefit only President Mohammed Zia ul-Haq "completely dictatorial and unpopular military junta" and warned that any future Pakistani government would not be bound to honor commitments negotiated along with the six-year package. The statement was issued Saturday in Karachi by former law minister Mian Ali Kasuri on behalf of a seven-party opposition coalition known as the Movement for the Restoration of Democracy.

Although Gen. Zia has stressed that the deal "has no ties with the United States" will not affect Pakistan's nonaligned status, the statement said it was highly unlikely that the proposed aid deal did not include secret provisions curtailing Pakistan's independence.

The U.S. Senate Foreign Relations Committee began hearings on the proposal last week. American diplomats in Pakistan have said that the aid is meant to strengthen Pakistan's national defenses and not a particular regime.

**Qadhafi Reported on Overflight**

**PHILADELPHIA (UPI)** — The Philadelphia Bulletin said Sunday that Col. Qadhafi was on board a Libyan aircraft that allegedly entered Italian airspace and was escorted out by Italian fighter planes.

The Bulletin, in a copyrighted story based on intelligence documents, also said Col. Qadhafi accused the Italians of collaborating with the United States and attempting to kill him in the incident.

The incident occurred Sept. 26 over the island of Ustica as the Libyan plane was traveling from Zurich to Tripoli, the newspaper said. Col. Qadhafi had been on a European tour that included stops in Budapest, Bucharest and Belgrade.

The Italians were unaware that Col. Qadhafi had been on board the plane until the Libyans sent a formal complaint to Rome, the newspaper said.

**Physuch a French Citizen**

**PARIS** — Leonid Physuch, a mathematician and a human rights activist who spent three years in a Soviet psychiatric hospital before being expelled to the West in 1976, has been granted French nationality together with his wife and son, the government journal said Saturday.

**Skilled Workers, Professionals Are Leaving Argentina**

The refrain has a caustic ring now. The balloon of an overheated economy burst early this year. Inflation is at more than 100 percent; the peso is worth less than one-fourth what it was in dollars at the beginning of the year, and unemployment has risen to between 600,000 and 1.5 million people, depending on who is doing the figuring.

After almost six years of military rule, the government of President Roberto Eduardo Viola is shaky. Rumors persist of plots within the military, and civilian politicians clamor ever more loudly for elections, raising the likelihood of a confrontation.

Argentines have emigrated before, but mainly during revolutions. Emigration experts here say the present exodus is different and the largest yet.

"Now they are emigrating for physical subsistence," said Alberto Bonis, a sociologist. "The country has become neurotic, frightened by the physical subsistence."

They also include people such as Oscar Ricardo Pons, a 27-year-old unmarried electrical engineer who has obtained a Canadian residence visa. He works in a management job here because there is a shortage of the sort of technical jobs and advanced training he wants. "All engineers want to build and develop," he said.

Professionals are among the hardest hit. Ten percent of the registered doctors are reportedly practicing. Of 50,000 registered engineers, 10,000 are out of the country and 8 percent of those remaining are unemployed, according to the Center of Argentine Engineers.

**Untapped Resources**

The Committee to Stimulate Argentine University Graduates and Students Abroad, a private body that works with the government to attract its citizens back, says at most half the expatriates are trained technicians or university educated.

"It's a great hurt to the country," said Moises Margulies, president of the committee. "We cannot offer the work to keep them here."

Yet Argentina has one-third the

land mass of the United States and only a little more than one-tenth the people. Forty percent of the population lives in metropolitan Buenos Aires. The country's history is one of huge empty spaces going undeveloped.

Tierra del Fuego in the far south abounds with fish and offshore oil. Natural gas underlies the vast semiarid plains of Patagonia. The Andes mountains that line the western shore are filled with barely tapped resources.

Where have the Argentines gone? According to the advisory committee, about 800,000, or more than one-third of those who have left, are in the United States. Spain follows with 270,000 and Canada with 200,000.

The United States is particularly attractive to professionals, whose skills can get them by tough U.S. immigration quotas. Among the 10,000 Argentine professionals who arrived at New York City airports from 1968 to 1978, according to a study by the U.S. Immigration and Naturalization Service, were nearly 1,500 doctors, 1,400 engineers, and 400 chemists, biologists, geologists and physicists. The rest included professors, accountants, lawyers, architects and the like.

Paris is a haven for many of the country's writers, painters, dancers and musicians, many of whom have been very successful there. And many of the elderly go to Spain, where they enjoy a common language and through reciprocal agreements can receive their government retirement benefits.

**Sale of Daily American Draws No Bid in Rome**

**ROME** — Italy's oldest English-language newspaper, The Daily American, has been put up for sale in a Rome bankruptcy court, but no buyers have appeared, court officials said.

The Daily American, which was founded 35 years ago, has had financial difficulties in recent years and the ownership has changed several times. It was "placed in receivership in July and was not published for several weeks."

The minimum asking price at a bankruptcy auction Saturday was 250 million lire (\$200,000), according to court documents. No prospective buyers appeared, however, and there will be another auction at a later date.

**6 Die in Car Crash in Italy**

**LATINA, Italy** — Six persons died and two children were seriously injured when two cars crashed during a rainstorm on a highway southeast of Rome, police said Saturday.



## Phony Chinese Business Exposed

Bribes, Gifts Opened Doors to High Officials

By Michael Parks  
Los Angeles Times Service

PEKING — Chen Mingxiao seemed like one of the men who would lead the modernization of China — a senior engineer with 30 years experience in industry, director of a chemical research institute with a distinguished academic background, a Communist Party member for four decades, a man with the confidence of his superiors, a man who got things done.

But Mr. Chen was also a fraud, and Friday he was publicly unmasked.

His research institute, established in 1977 in Henan province south of Peking, had rapidly developed contracts with dozens of factories on ways to use cereal wastes, such as rice husks and corn cobs, in the manufacture of chemical products. It had also signed contracts with foreign companies to export those products and import new equipment.

For his efforts, Mr. Chen, 57,

was granted the title of professor and promoted. His salary was raised almost equal to that of a deputy minister and he had all the perquisites of that rank. He had wide and easy access to top levels of the party and state leadership, not only in Henan but also in the capital.

But his Furfural Research Institute was a front that he and two confederates established. Furfural is a colorless, sweet-smelling oily liquid, produced from corn cobs and other cereal wastes and used as a solvent in making dyes, lacquers and synthetic resins.

The party newspaper People's Daily reported Friday that all of Mr. Chen's activities were a huge confidence scheme that duped senior officials for four years.

"The most serious fraud case since the establishment of the People's Republic of China," the official Chinese news agency declared, reporting Mr. Chen's arrest and

police efforts to unravel the scandal.

Mr. Chen's activities, the agency said, had "created very serious political consequences and caused very serious economic losses to the country," and perhaps what was most worrying was how easily he had duped many top officials with his glib proposals and a few presents.

According to the reports, Mr. Chen once was a worker at a chemical dye factory, but he was not a graduate engineer. His diploma was counterfeit, his academic credentials were faked. He had even been put in a labor camp for six years beginning in 1958 after his negligence at a factory had caused many accidents. He had not joined the Communist Party in 1958 to fight the Japanese invasion, but had actually been a major in the Nationalist Army.

His research institute and an attached factory he established had no researchers, no technicians, no equipment. The only employees, it seems, were Mr. Chen, his friends and the children of officials whose support he needed.

### Network of Contacts

Yet he had it accredited despite the opposition of the national corporation to which it was supposedly attached. He had it registered to do business within China and abroad. He managed to open tightly controlled bank accounts giving him access to foreign exchange. And then he started to sign contracts that apparently ran into millions upon millions of dollars, all based on turning cereal wastes into valuable organic chemical compounds.

Mr. Chen used a wide network of contacts built up over the years within the chemical industry and even in the upper reaches of the government and party itself, the news agency said.

He maintained these contacts with frequent and lavish banquets, with jobs for officials' children, loopholes in present laws and regulations, and many gifts and bribes.

"Every time Chen came to Peking," a news agency commentator wrote, "he would bring a lot of gifts — peanuts, sesame oil, dates, mutton, chicken, dog meat and rabbit."

The news agency said that in four years Mr. Chen had defrauded more than 50 organizations and 200 government and party officials.

For all that, he apparently took relatively few of the millions of dollars he might have had access to. He raised his salary from the equivalent of \$38 a month, the average wage of a factory worker, to \$140, close to what a department head in an industrial ministry is paid, and treated himself to the privileges such a minister would have, but not much more.

## Separatists in New Caledonia Plan To Establish Melanesian Regions

Reuters

NOUMEA, New Caledonia — New Caledonia's main independence movement has announced that it will try to establish a series of separate Melanesian regions throughout the South Pacific island group as a first step toward declaring independence from France.

Leaders of the Union Calédonienne said the program, to be carried out during the coming year, would include occupation of land held by European settlers.

The policy was decided on Saturday by a three-day Union Calédonienne congress, attended by 300 delegates, in Lifou, one of the Loyalty islands off the east coast of New Caledonia's main island, Grande Terre.

It marks a radicalization of the union that — like other independence movements here — has become more extreme since the murder two months ago of Pierre Decleq, the union's secretary-general.

Union leaders said the Melanesian regions would be established by next Sept. 24, the 127th anniversary of French annexation of the nickel-rich territory.

New Caledonia's 60,000 Melanesians are outnumbered by a combination of 50,000 Europeans and 30,000 Polynesians and other peoples that favor continued links with Paris.

Because of this, a democratic vote in favor of independence is practically impossible, and observers said the decision appeared to be an attempt to exploit the greater strength of the Melanesians in rural areas.

France's Socialist government has promised wide-ranging reforms to correct the traditional economic and social disadvantages of the Melanesians, but it has indicated that independence could come only through a democratic vote.

## High Soviet Defense Ministry Official, Mikhail Grigoriev, Is Reported Dead

Reuters

MOSCOW — Col. Gen. Mikhail Grigoriev, 64, who was once second in command of Soviet strategic rocket forces, has died, the military newspaper Krasnaya Zvezda reported.

Gen. Grigoriev was first deputy commander-in-chief of Soviet strategic rocket forces for 13 years and later held a senior post inside the central apparatus of the Defense Ministry, the paper said.

Antonio Dovali Jaime  
MEXICO CITY (AP) — Antonio Dovali Jaime, 76, director of

## Ukrainian Activist Reportedly Jailed

The Associated Press

MOSCOW — Alexander Paritsky, a prominent Ukrainian Jewish activist, has been sentenced to three years in a labor camp after being convicted of slandering the Soviet state, friends of his family said.

The 43-year-old electronics engineer was sentenced Friday after a three-day trial in the Ukrainian city of Kharkov, the friends said Saturday.

Mr. Paritsky, who was arrested Aug. 28, was reported to have played a leading role in organizing school programs for college-age Jews who were denied admission to state universities after their parents applied to emigrate to Israel. Mr. Paritsky, his wife and their two daughters, had applied unsuccessfully to emigrate there in 1977.

## Washington Gets More Samples Of Alleged Hanoi Toxic Weapon

By William Branigin  
Washington Post Service

BANGKOK — The U.S. Embassy here has received new samples of alleged toxic substances that, if tests prove positive, could show that Vietnamese occupation forces used chemical weapons against Cambodian guerrillas as recently as last week.

The samples were collected by members of the ousted Khmer Rouge forces in southwestern Cambodia near the Thai border and passed to the U.S. Embassy through intermediaries, a diplomat said. He said a brief note with the materials, which include leaf samples with brownish stains, said an airplane dropped the chemicals on a Khmer Rouge area on Nov. 10.

The note from the Khmer Rouge did not elaborate.

The samples, now sealed inside a diplomatic pouch marked with warnings against contamination, are being sent to the United States for tests, the diplomat said.

Although official Khmer Rouge battle claims and public charges of Vietnamese atrocities in Cambodia are usually given little credibility here, the diplomat said samples of chemical warfare substances collected by the Khmer Rouge have proved genuine in the past.

One such sample, he said, was among the new "physical evidence" announced by the State Department earlier last week.

The note's brief description of the alleged chemical warfare incident resembled accounts of "yellow rain," the supposedly poison-

ous material reported to be widely used against opponents of the Vietnamese-backed government in neighboring Laos for several years.

The delivery of the samples followed visits to Thailand by a UN team of chemical warfare experts and two U.S. medical personnel to investigate reports of chemical weapons use in Cambodia and Laos.

The UN investigators extended their stay to 10 days to look into what one said were new cases in the north along the Laotian border. They left for New York on Tuesday.

### Incidents Alleged

The group refused to disclose any of its findings to reporters. However, an informed Western diplomat said the team interviewed about two dozen Hmong tribesmen and Cambodians who claimed to be witnesses or victims of chemical warfare attacks. The diplomat said the team also talked to Vietnamese defectors who claimed to have seen their side using chemical weapons.

One of the defectors has said that he saw two Soviet advisers fire a chemical weapon in western Cambodia in March, 1979, wiping out not only a band of Khmer Rouge guerrillas but also an encircling Vietnamese unit.

According to the diplomat, the

UN investigators left with some specimens of alleged chemical warfare contamination that were given to them and some alleged specimens that they collected themselves.

## Spain Communists Suspend Deputies

The Associated Press

MADRID — The provincial committee of the Spanish Communist Party in Madrid suspended five municipal deputies from their city hall posts and warned them if they did not resign from their duties by Monday they would be expelled from the party.

The suspensions Saturday were made two days after the Communist Party expelled six members of its Central Committee, including party theoretician Manuel Azcarate and parliament member Pilar Bravo. It also ordered lesser sanctions against 120 party leaders from the northern Basque region.

The disciplinary steps were ordered by party Secretary-General Santiago Carrillo, who was angry over the members' support of a merger of Basque Communists with Basque nationalists. The merger also received wide backing in Valladolid, Salamanca and Alicante provinces.

## Japan Mob Enters U.S. West, Senate Panel Report Finds

By Robert L. Jackson  
Los Angeles Times Service

WASHINGTON — Members of a Japanese crime syndicate are beginning to appear in Los Angeles, San Francisco and Las Vegas, triggering fears by law enforcement authorities that the group may be moving into U.S. heroin sales, according to a Senate subcommittee report.

The study, prepared by staff members of the permanent investigations subcommittee of the Senate Governmental Affairs Committee, describes the syndicate — known as the Yakuza — as "modern-day successors to the ancient samurai warrior class."

Referring to "growing Yakuza interest in the heroin trade," Senate staff investigators Eleanor J. Hill and Jack Key say law enforcement officials "now believe that Japanese organized crime is successfully filtering large amounts of Yakuza money into legitimate business enterprises" in the mainland United States, in Honolulu and elsewhere.

The study, which Ms. Hill and Mr. Key prepared for current hearings by the Senate panel into international drug trafficking, has been supported by testimony from the Los Angeles Police Department.

### Involvement in Los Angeles

Lt. Richard W. Wright, representing the organized crime intelligence unit of the Los Angeles police, told the subcommittee Thursday that "the Yakuza in Los Angeles have been involved in both legitimate and illegitimate enter-

prises." He said the latter include narcotics, gun-smuggling, prostitution and extortion.

"They have laundered money through legitimate businesses," Lt. Wright said. "So far their activities have generally been limited to the Japanese business community and the Japanese tourist trade."

Lt. Wright would not give specific instances because police investigations are continuing. In an interview after his testimony, he said police have observed about 20 suspected Yakuza members or associates in Los Angeles.

"It's a relatively new phenomenon in the Los Angeles area," he told the committee.

Lt. Wright said that "the potential is definitely there" for Yakuza members to seize a share of the billion-dollar heroin trafficking market that originates in Southeast Asia. But the lack of a U.S. distribution network has hampered them, he said.

Police have problems in investigating the Yakuza, Lt. Wright testified. He said his department had very few officers capable of interviewing Japanese informants. "There's a lack of rapport with Japanese national groups for the purpose of gathering intelligence," he added.

The Senate staff study said an estimated 108,000 Yakuza members operate more or less openly in Japan, although heroin trafficking has not been a major activity there. However, organized crime "effectively controls" the distribution of methamphetamines, or stimulants, in Japan, the report said.

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## Reagan's Real Problem

The political and economic history of the last two years can be acidly summarized in the answer to one question, which was asked in January, 1980, during the first Republican debate of the presidential campaign: "How can any president curb inflation, cut taxes, increase defense spending and balance the budget all at the same time?" John Anderson gave an answer that has survived to haunt the Reagan administration: "It's very simple. You do it with mirrors."

Now the mirrors have broken. However contrite David Stockman is, his revelations in *The Atlantic Monthly* prove the accuracy of the Anderson insight. The metaphors have changed; Stockman speaks of Trojan horses and greedy hogs. But the meaning is the same: The administration has known for months that its economic policy cannot work — but has pretended to the public that it could.

Now the public knows the truth, too, and with any sort of luck Reagan will be forced to face his problem.

The problem is not what to do about David Stockman, damaged credibility and all. That is minor compared with the real problem: what the president should do about his economic program. Will the administration finally devise a program that responds to the truth, or to political pretense?

There is still time, but not much. The greatest risk is that when the current recession ends — probably around mid-1982 — fiscal and monetary policy will again be on a collision course. That could usher in another stunted recovery and yet another Reagan recession.

That is a grim scenario, but not farfetched. The administration has wisely abandoned

trying to balance the budget by 1984. But it is not clear that the deficit will shrink even by then. If this prospect does not improve by the time the recession ends, the Federal Reserve Board will weigh in again with high interest rates to beat inflation back — and out the recovery short.

The only way out for Reagan is the way Stockman has urged on him for months: Get serious about the deficit.

The place to begin is defense, which the budget director thinks may yield \$30 billion in waste. The case has not been made for spending \$20, \$30 or \$40 billion on the B-1 bomber. In the civilian area, the president will have to face up to trimming the growth of entitlement programs, particularly Social Security and federal pension plans.

Cutting spending alone won't be enough. Swallowing his pride, the president needs to plan now for new taxes once the recession ends, starting with new excise taxes on cigarettes and alcohol; user fees for those who benefit from harbors, waterways, airports and irrigation projects; a gasoline tax to encourage conservation.

He could also pull off his shelf a plan to close \$20 billion of tax "loopholes" that Stockman prepared earlier this year. What better time to chip away at unjustified and inefficient tax subsidies like the oil-depletion allowance and at least some part of the home-mortgage interest deduction?

David Stockman's story demonstrates that such ideas are not welcome at the White House. Reagan clings, or pretends to cling, to the economic theory that lowering taxes is enough to raise the tide, and all the boats. But now the tide is out — and so is the truth.

THE NEW YORK TIMES.

## View to Space and Back

Few questions are as enticing, as able to seduce our minds into timeless speculation and fantasy, as one of the oldest: Are we here on Earth really alone in the universe? And if we are, why did it happen on this planet, and how did it happen? Is the miraculous phenomenon of life that is everything to us possibly just a one-time experiment in an otherwise empty cosmos?

But science is edging closer to partial answers. The latest in a series of reports by the Space Science Board of the National Academy of Sciences (Origin and Evolution of Life — Implications for the Planets: A Scientific Strategy for the 1980s) reveals some surprising progress.

The board reports, first of all, that on the basis of studies of the information sent back by the Viking missions to Mars, "we conclude that Mars is no longer a target for the direct search for life in the solar system" and "there is no evidence for current life on Mars." And because there is "strong evidence" that none of the other planets of their satellites provide appropriate conditions, "We view the search for present life in the solar system as completed."

On the other hand, the chemical precursors of life, especially molecules containing the key element carbon, have been found elsewhere in the solar system, in comets, asteroids, interstellar space and in the atmospheres of the outer planets and their satellites. Studies of these still largely unexplored

parts of space may tell us a lot about what is necessary for the beginning of life. And there is still the hope that "although we are probably alone in the solar system, we may not be alone in the universe."

It is to the study of our own planet, the Space Science Board believes, that science must turn to unravel further the mysteries of life. Satellite technology and remote sensing techniques for the first time make it possible to do this. Scientists now believe that life does not passively fit itself into an acceptable physical environment. Instead, recent studies lead them to think that life can alter and has profoundly altered the physical characteristics of this planet — its atmosphere, solid surface and water. Therefore, concludes the board, a major scientific goal of the coming decades "becomes the untangling of the dynamic processes that maintain Earth as a planet and sustain life."

That research will lead in two directions: to an understanding of our past and to the hope of maintaining a healthy planet in the future. Far more than other forms of life, human technology can alter the planet's ability to sustain life — and may already be doing so, perhaps in irreversible ways. The board mentions deforestation, the accumulation of wastes and the rapid extinction of species as examples. Planetary research may eventually make it possible to predict, and possibly to control, these and other trends.

THE WASHINGTON POST.

## On Big Steel's Big Club

Barely a year after Big Steel pushed the Carter administration to give it more protection against imports, the industry is back asking for more. But this time it's pounding on the door of an administration pledged to free-market competition.

The industry carries a big club: a long-standing legal right to ask for compensatory tariffs whenever it can prove that foreigners are "dumping" steel in America at below-cost prices. So the Reagan administration, like its predecessors, is caught between what is legal and what is best.

Commerce Secretary Malcolm Baldrige approaches the problem with welcome sensitivity. To head off new complaints by domestic steel companies, he is preparing to file several of his own, charging European governments with dumping or with unfair export subsidies. But his aim is not to engage the Europeans in a nasty trade war; he hopes to gain time to work out an informal accord with them.

The stakes in this contest are high. The industrial world, even before the current recession, had excess steelmaking capacity, and American producers are handicapped by aging plants and costly labor contracts. European governments are under severe political pressure to keep their mill workers employed. And the rising value of the dollar encourages them to move in on the American market.

When U.S. steelmakers demanded tariffs on imports in 1977, the Carter administration beat back the threat by introducing a

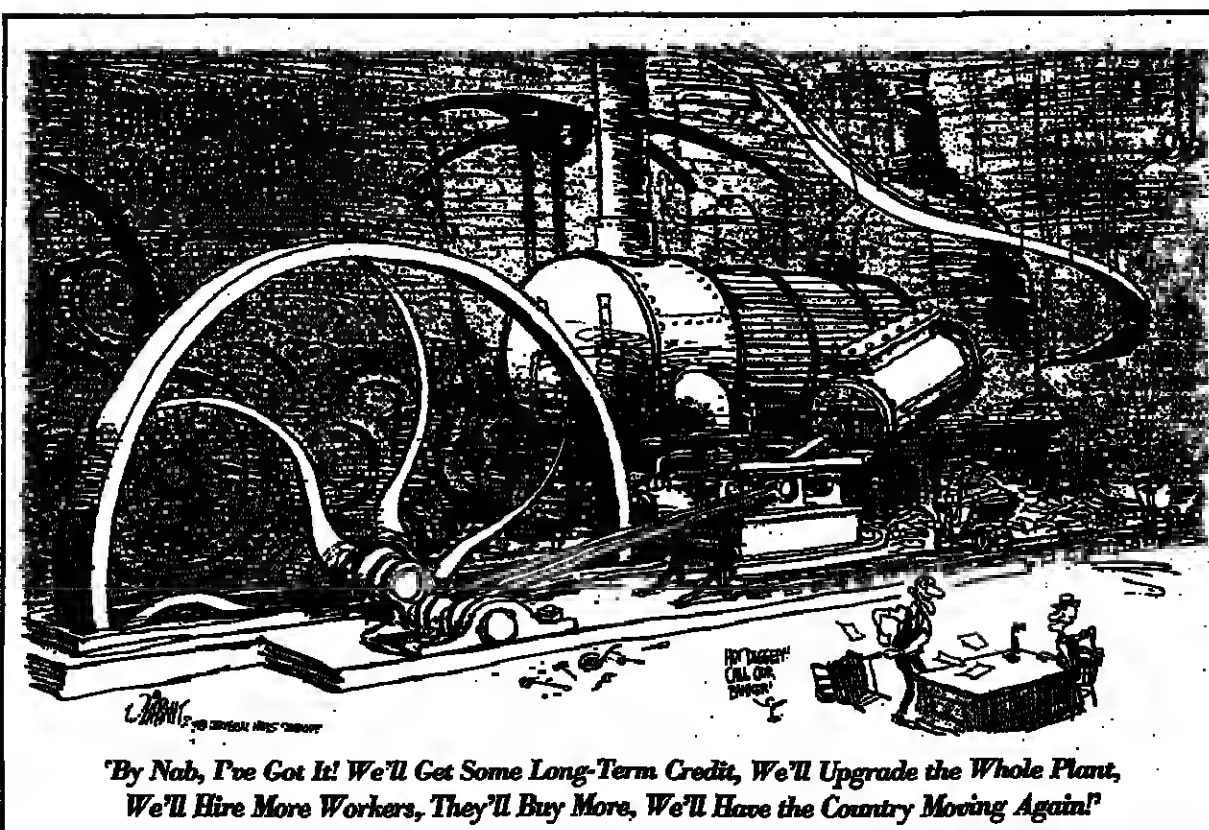
"trigger" system, which puts an artificial floor under import prices. That resulted in higher prices for American autos, bridges and railroad cars. The only real winners were the steel companies and their workers, who preserved contracts that gave them wages at least 50 percent higher than those of other industrial workers.

President Carter was forced to raise the trigger prices again a year ago, this time to prevent suits against European imports. But the producers are still not satisfied; even those new trigger prices, they say, no longer keep out illegally priced imports.

The task before Baldrige is twofold. He needs somehow to pacify the industry without forcing the hard-pressed Europeans into retaliating against American goods. In theory there is room to maneuver. Governments on both sides of the Atlantic stand to gain if they can gradually eliminate excess and inefficient steel production. But it is also imperative that the American government quit pampering steel or any other industry by underwriting management mistakes and excessive labor costs.

Big Steel will benefit enough from this year's reductions in corporate taxes and delays in the imposition of costly environmental standards granted earlier. For all this, it owes the nation more than inflationary wages and political problems with Europe. The law may be on the industry's side. The equities are not.

THE NEW YORK TIMES.



## Reagan and the Press:

### • The Problem May Be Lack of Practice

By David S. Broder

WASHINGTON — President Reagan asked reporters at his news conference last week to remember that the words they write are read all around the world and to consider whether the message they send is helpful or destructive to America's interests.

Whatever you think of that plea, the fact is that the most important message is the one the president himself conveys by his words and demeanor on public occasions. For the most part, those appearances have been helpful to Reagan in advancing his goals. His wit, his good nature and his rehearsed eloquence stand him in good stead, whether he is delivering a toast at a banquet, a brief political speech or a televised policy address.

But at the last two news conferences, the impression he has created has been one of a man under great strain. The comments on Capitol Hill and in embassies suggest that the tension and anxiety the president displays when answering questions about his policies are beginning to cause concern among those in the United States and abroad who look to the White House for leadership.

Anxiety is being expressed by members of the White House staff who have come to view each press conference as a hurdle that must be negotiated with care. They have adopted what my colleague Martin Schram accurately describes as a "damage-control" philosophy for dealing with the press conferences: Schedule them infrequently, slow down the pace of questioning by lengthy answers, and hope that Reagan gets out of them without hurting himself.

That is a defensible, if obviously de-

fensive, strategy. The practical problem is that the president is so strained in executing it — hesitant in manner and nervous in speech — that he undercuts the effort to build confidence in his leadership. The relaxed sense of command and self-control that he communicated so advantageously in his 1980 campaign debates and in almost every formal speech he has made as president turns into a very tentative and tense performance in the press conferences.

Explanations abound. Some say the president's hearing impairment forces him to strain to hear the questions and puts him on edge even before he gives his answers. His aides have tried to reduce this problem by installing an amplifier in his podium.

### Index Cards at Hand

Others say it is the mental gymnastics of the news conference that the president finds intimidating. He works best when he knows the topic in advance and has his index cards at hand, with the points he wants to make. In the news conferences he held in his eight years as governor of California, the custom was to exhaust one topic before shifting to a new one. He seemed more comfortable with that more structured format.

His critics put forward a much harsher theory: Reagan is under strain because he has such a shaky grasp of the policies for which he is formally responsible that he has a Dickens of a time remembering what it is that he is supposed to say about such-and-such a subject.

If that is right, then we are really, in trouble — not just this administration

but the country and the world. But before accepting that gloomy conclusion, I would like to see how Reagan would do if he were holding a press conference of some kind every week.

He did that when he was governor. But as president, he has held five news conferences in 10 months. On that schedule, every one becomes a very big deal — a big mental hurdle.

The Reagan we have seen at the last couple of news conferences reminds me of the uptight, unhappy Reagan of the Iowa caucus period early in 1980, when his then manager, John P. Sears, was trying to shield him from the press and the public. When Reagan campaigned infrequently, under Sears' constraints, he was poor. When he was unleashed in New Hampshire, he was terrific.

So it is, I suspect, with the news conferences. People like my colleague Lou Cannon who covered him in California remember those gubernatorial news conferences not as ordeals to which Reagan submitted but as opportunities which he exploited easily to carry his message to the people.

Maybe he's lost the knack, now that he is 10 years older. But my guess is that he's just not getting enough practice to feel comfortable in the news conference format. If he had a regular schedule for alternating weeks of big televised news conferences and small Oval Office interviews with some of the White House regulars, my guess is that he would be better briefed by his staff on a wide range of issues, and much better prepared to discuss them.

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### • His Words Astound

By Philip Geyelin

WASHINGTON — Right up to the final passage in President Reagan's foreign policy progress report at last week's news conference, you could have kept telling yourself that he really didn't mean it, that it was a mite self-serving, a trifle hyperbolic but harmless — if you didn't take it seriously.

But then the president told us, in effect, to take it seriously: "It behooves all of us to recognize that every word uttered here in Washington winds up, by way of ambassadors and embassies, in all the other countries of the world." We should "reflect," he said earnestly, on whether what is said in Washington is going to "aid in what we're trying to do... or whether it's going to set us back."

The conclusion I come to is that the six or seven utterly unbelievable things the president said about his foreign policy are going to set him back — perhaps even way back, if the people of influence in other countries of the world actually believe that he believes them.

Reporters present laughed when the president said, "There is no personal animus, and there is no bickering or back-stabbing going on around here — we're a very happy group." From their daily rounds, the reporters know better. But it is not laughing matter if the president really believes it, and believes as well that the "picture that has been given of chaos and disarray" is the invention of the press and a "diservice to the country."

### Disarray

The press may well be a willing collaborator in the conveying of official animus. But if the president doesn't know that the bickering and backbiting is real, he is dangerously removed from what is happening in his foreign policy-making apparatus. It was Secretary of State Haig, after all, who publicly made the accusation of "guerrilla warfare" within the president's "happy group."

And it was Haig who spoke of a "demonstration" nuclear warning shot at NATO doctrine in Europe, in open congressional testimony; and Defense Secretary Caspar Weinberger who flatly denied "the

existence of anything remotely resembling" that idea the next day. When, a full week later, the president was still unable to say where the truth lay, that is "disarray" doubled and re-doubled.

"Everything turned out just fine" at last month's Canada summit on economic development, the president said. Ask the French, or the Canadians, or the Mexicans or any of the less-developed countries, whose hopes for a grander outcome were dashed, if they were "very pleased," as Reagan claimed.

Ask the Mexicans, with whom the president says the United States has "a better rapport" than "we've ever had," how they feel about his administration's policy in El Salvador.

### Arms Race

And ask responsible leaders in Europe, whether they would agree with the president when he says "I don't think we've ever had a stronger relationship" with the European allies. Some will tell you that relations have never been more precarious.

Reagan's rejection of Salt-2 still ripples in Europe, as a sign of deep-down disinterest in arms control. Large majorities — and not just a handful of young "peace-protesters" — influenced by Soviet "disinformation," as Vice President Bush would have us believe — oppose the development of U.S. theater nuclear forces in Belgium and the Netherlands.

A member of the West German Bundestag who is a strong TNF supporter complains that the Reagan administration "officially and openly comes across as 'projecting the specter of an unbridled arms race.'"

West Germany's Chancellor Helmut Schmidt had a near revolt in his Cabinet when Reagan first talked loosely about the possibility of a battlefield nuclear war confined to Europe. Almost alone he cooled down his rebellious colleagues, according to an official who was present, arguing that Reagan was new, inexperienced, and needed help. So the president delivered another disquisition on the subject at his news conference.

Europe's leaders have serious internal political problems that work to undermine alliance purposes. To be told there are no problems is worse than an insult to their intelligence, to the extent that they believe that Reagan really believes his foreign policy accomplishments have been rather "astounding," their already shaky reliance on American leadership is unlikely to be reinforced.

Unless, of course, they do weigh "every word" in which case they will perhaps discover in the dictionary that to "astound" means to bewilder by sudden surprise.

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### • 3 Possibilities

By William Safire

WASHINGTON — In two recent instances President Reagan denied the truth, accusing the press of "misinterpreting" what he and his closest aides had been saying.

At a news conference more than a month ago he read a prepared statement unmistakably directed to Israel and its supporters: "While we must always take into account the vital interests of our allies... it is not the business of other nations to make American foreign policy."

When asked later if he had implied that Israel and its supporters were interfering with his foreign policy, Reagan assumed an injured innocence: "I know some people took it that way, but that was misinterpreted. I was terribly upset when I discovered that some Israeli supporters believed I was sinning at them. I was not."

That position is unconnected with reality. The purpose of his words "not the business of other nations" was to get Israel to back off.

The second false claim of misinterpretation took place early this month when Secretary of State Haig launched a counterattack against White House Chief of Staff James Baker and National Security Adviser Richard Allen. Haig charged he was the object of a "guerrilla campaign" by top White House officials he would not name. As columnist Jack Anderson was about to write of the secretary's incipient departure, Haig panicked and begged the president to call and wave him off the story. Reagan complied.

### Nobody Believed Him

Over the sound of sniper fire between the White House and the State Department, the president pretended to believe that all the noise has been inspired by mischievous reporters. He insisted that reports of backbiting had "absolutely no foundation."

Again he was denying reality. The truth, as any Washington reporter will attest, is that it is hard to avoid being outmaneuvered by high White House aides complaining about Haig, or by State officials running down Richard Allen and (more gingerly) Defense Secretary Weinberger.

Belatedly, the president realized that nobody believed him. Even the most avid pool-poolers of backbiting knew that real bites were being taken out of real backs. Finally, the two leading suspects were called on the Oval Office carpet and told to cut it out. White House spokesmen said the knock-heads session was about "coordination."

Why is Reagan pulling the plug on his reservoir of credibility with these flights from reality? Three possibilities exist.

• The first is that he is the legendary good schnook who trustingly accepts all "not-me, Boss" protestations.

• The second is that he is assuming the shiftiness of office, and is now willing to mislead the public by blaming the press for misinterpretation.

• The third — and likeliest — is that he is falling into the trap of believing what he wishes were true.

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## The Third Party To Arms Talks

By Flora Lewis

PARIS — The next stage in the long argument over the role of nuclear weapons in the Atlantic Alliance is about to start, with Soviet-American negotiations scheduled this month on limiting theater nuclear forces. The talks were pledged in the 1979 NATO decision to deploy new U.S. missiles in Western Europe that could reach the Soviet homeland. But even before they begin, an evolution of attitudes has evolved new U.S.-European strains, leaving Western allies in confusion. Last week President Reagan again spoke of alliance doctrine countenancing the "possibility" of limiting a nuclear exchange to Europe.

The initiative for the new U.S. missiles came from West German Chancellor Helmut Schmidt. He called attention in 1977 to Western Europe's increased vulnerability because of new Soviet missiles, the mobile SS-20s with three warheads each. Europe's capacity to mobilize defenses could be wiped out at a blow. Schmidt was concerned not only about the heightened threat, but the implications for an old NATO problem — how to make people West and East, really believe that the United States would come to Europe's rescue in case of attack. This is known as the coupling-decoupling issue.

When the Soviet Union developed nuclear missiles alongside its huge army, "coupling" referred to the U.S. threat of nuclear retaliation if the Russians moved westward. But Moscow's acquisition of intermediate-range missiles that could hit the United States had a "decoupling" effect. It raised doubts about whether Americans would risk New York by attacking Moscow in defense of, say, Hamburg. Two years ago, Henry Kissinger told Europeans the premise was only lip service and could not be counted on.

To make "coupling" more credible, and to give Washington choices other than apocalyptic or impotence, President Kissinger changed the doctrine to flexible response. Smaller American weapons stationed in Europe, could be used against a less than full-scale Soviet attack.

But against SS-20s, Schmidt feared, this threat was not enough for deterrence. So apprehension over "decoupling" resurfaced, and Washington agreed to develop new missiles to add to Europe's options.

When Jimmy Carter signed the SALT-2 treaty with Leonid I. Brezhnev in 1979, everyone expected they would soon go on to negotiate a SALT-3. The first two agreements dealt only with antiballistic missiles and weapons with which one superpower could hit the other. But to Europeans, Soviet weapons that can reach from the Ukraine to Lisbon are strategic. And Moscow argued that American weapons that can reach its soil are strategic even if fired from West Germany instead of North Dakota.

Plans for the new American weapons were linked to expectations of extending negotiations beyond the biggest missiles. Talks were offered even before the American missiles were built, in hopes that the Russians might agree to remove the SS-20s. But Moscow failed to react until just before the formal decision to deploy the U.S. weapons. By then, American officials had cranked up their usual enthusiasm and taken over the burden of promoting the missiles from the Europeans. There was a tendency to forget the origins of the idea, and the Europeans lapsed into familiar complaints about American arm-twisting.

New dimensions were added, partly because SALT-2 was not ratified and the new Reagan administration seemed indifferent or even hostile to the whole idea of arms control. The Europeans had never intended to challenge the Russians to a few more laps



in the arms race and then keep matching them if they wouldn't slow down. But there was also an inherent difficulty: It is hard to imagine a European theater response accord that would not include agreement on weapons deployed outside the specified area that could be moved in at short notice. Yet that is the current approach.

Europeans are skeptical about U.S. intentions; is Washington really putting Europe's security first, or does it just want to make and distribute more missiles? If so, the theater nuclear force issue might "decouple" rather than tighten alliance bonds. It could mean that Washington was preparing for a nuclear exchange in Europe while escaping devastation at home. This fear suddenly swept through public opinion on the Continent, although government experts knew that a limited exchange had always been an element of "flexible response" and, in fact, should be seen as reinforcing U.S. commitment to Europe.

Of course, European governments are democratic and have to respond to public pressure. They are emphasizing the "zero option" of negotiations now, the chance that the Russians will agree to dismantle their missiles. But that is almost certainly unrealistic and risks laying the ground for serious disillusionment and rejection of the whole theater nuclear force idea, leaving the Soviet threat in place.

The debate over perceptions has to do with climate. The debates were allowed to veer away from deterrence and to sound like plans for fighting a war, while Reagan administration alarms and the economic crisis have darkened the horizon.

Moscow propagandists have made up for earlier inattention to NATO's plan, although they can't be blamed for the European reaction, which is basically a gut judgment of threat. Some people fear there is more danger of American bravado sparking a war than of Soviet attack. They will oppose American missiles, whether Soviet missiles point at them or not.

Moscow's argument that missiles are targets, and that they wouldn't target a country which housed no nuclear weapons, is alluring in a time of fear. A Soviet submarine bearing atomic arms has sneaked into Swedish waters, but the claim attracts those who want to believe. It is true that only the United States has ever used a nuclear weapon.

This is a queasy atmosphere for negotiations. Instead of relying on the enthusiastic support from Europe expected after the invasion of Afghanistan, Washington will have to keep two bargaining partners in mind at the table — the Russians, and West European public opinion.

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## Nov. 16: From Our Pages of 75 and 50 Years Ago

### 1906: The Flying Machine

LONDON — Though English people have been slow, as they were in the case of automobilism, to take the same interest in aerial navigation as other European nations, the enthusiasm that they are now displaying was manifested by the large and interested audience that assembled yesterday at the Royal United Service Institution to listen to the lecture of recent progress in aerial navigation. Sir Hiram Maxim said: "In my own experiments, I have found the lifting power of the aeroplane to be greater than has ever been suspected. My own experience tells me that there cannot be any question of the future of the flying machine. It is coming, whether we like it or not."

### 1931: Citroën After Ford

PARIS — Today's editorial in the *Herald* reads: "M. André Citroën is an eminent manufacturer who has achieved a great success, largely by frankly adapting to the requirements of the automobile industry in France whatever he has found suitable to it in new methods at Detroit. Henry Ford has blazed a route of progress not only for him, but for many other enterprising industrialists. M. Citroën's view of the great quantitative gap between production and consumption, which for the last few years has put manufacturing and commerce awry, is that of the clever businessman, and he preaches an economic gospel that, he believes, should be carried to all the backward nations."

### —Letter—

#### Urban Witchcraft

Urban witch doctors are thriving not only in Africa (HIT, Nov. 4) but also in France, to judge from the 19 advertisements for astrologers, clairvoyants, fortune-tellers, magicians, etc., in a recent local paper.

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## 5 Steel Exporters Face U.S. Charges

By Jane Seaberry  
Washington Post Service

WASHINGTON — The Reagan administration has sent a warning to foreign steel producers, saying it will charge Romania, Belgium, Brazil, South Africa and France with unfair trade practices involving their steel exports.

The action, labeled "dangerous" by the EEC, accuses all of the foreign governments except Romania of injuring U.S. steelmakers by subsidizing the production of steel that they then sell in the United States at unfairly low prices.

Romania will be charged with dumping, that is, with selling its U.S. steel market by selling steel below what it cost to make it. Both actions could result in stiff duties levied against the five countries' steel exports to the United States.

The countries are geographically diverse and the products so important as to put world producers on notice that the United States is serious about enforcing its trade laws," Commerce Secretary Malcolm Baldrige said Friday.

The action is the first of its kind by the government, and it threatens to set off a trade war with Europe, which considers initiation of such complaints by the U.S. government a hostile gesture. An official of the EEC, representing France and Belgium, repeated their contention that the action is "dangerous and questionable" and added, "We're not concerned that the cases chosen by the Commerce Department show convincing proof of injury."

The cases involve carbon steel plate, except for France, which is accused of subsidizing hot-rolled sheet.

"We applaud the action of the Department of Commerce in commencing its countervailing-duty and dumping investigations," said a spokesman for the American Iron and Steel Institute. "These actions confirm what the steel industry has been saying for a long time about the nature and pervasiveness of foreign steel subsidies."

Several U.S. steel companies have said they may file their own complaints as well. For example, U.S. Steel Corp. said it will file at least nine countervailing-duty and dumping complaints against European steelmakers by Dec. 1. U.S. Steel Chairman David M. Rodgers had said that he will file complaints because the Commerce Department's plan "wasn't broad enough."

Meanwhile, the U.S. International Trade Commission, in an unrelated steel case, said Friday that the government should continue to investigate charges of dumping brought by Lukens Steel against a Japanese producer of steel-clad plate because a "reasonable indication" exists that the U.S. firms have been or will be injured.

The commission's decision does not mean the Japanese company is guilty of dumping but that enough evidence exists to warrant further investigation. The case, which could take several months, now goes to the Commerce Department to determine whether the Japanese steel was sold here at less than its fair market value.



Bernard Hanon  
Responding to energy crisis

## Renault Sees New Robots Building Profit as Well as Cars

By Paul Lewis  
New York Times Service

DOUAI, France — Resembling giant yellow insects, the robots lift their supple tentacles as each slab of silvery metal, suspended from a chain drive, edges by. The black pin-heads bob and weave, biting six or seven times amid a hissing cascade of golden sparks.

The scene is Renault's new automobile plant here in northern France, where the latest in automated equipment, manufactured by a Renault subsidiary, is busy building the new R-9, Renault's version of a world car. Renault, which has been run by the government since Charles de Gaulle nationalized it after World War II, has emerged as an aggressive and technologically advanced auto producer, the maker of France's best-selling cars with an expected 40 percent of the domestic market this year.

Here at Douai, the competitive spirit often said to be lacking in nationalized enterprise is apparent. "With robots, now doing 40 percent of the operations," said Edmund Pachura, the factory director,

"We're the leader in Europe and the U.S. and certainly as good as anything in Japan. Indeed, the Socialist government of Francois Mitterrand likes to cite Renault's record under nationalization as it goes about putting other major French industries under state control."

Nationalization can help sustain investment and employment during difficult times, the argument goes. The expenditure of about \$400 million for the new R-9 is cited as an example of such investment. While private investment stagnated in France last year and is expected to fall quite sharply in 1981, Renault increased its total investment spending nearly 70 percent in 1980 to \$800 million and is investing \$1 billion more this year despite an expected small operating loss. Renault profit in 1980 was 303 million French francs (\$55 million) on sales of 50 billion francs.

Whether employment will fare well remains to be seen. Although no one loses his job to a robot at Douai, attrition will inevitably cut the 7,300-man work force there. Of course, robots are not perfect either.

They break down from time to time, requiring expensive repairs, and they are expensive. The starting price for the simplest is about \$100,000 and the bill can quickly reach \$500,000.

This year Renault will produce slightly more than 2 million vehicles (54 percent for export), making it the world's sixth largest automobile maker. By 1985, thanks to the new R-9, Renault hopes to raise total output to 2.5 million vehicles. France's other major car manufacturer is the Peugeot Group, which now controls Citroen and the former European branch of Chrysler. It expects a 38.8 percent share of the French market this year.

The R-9, which has just gone on sale in France and will be introduced in West Germany in December, already has been called "l'anti-japonaise" because it is a direct challenger to the Toyotas and Datsuns now sweeping into Western Europe, as well as to Ford's Escort series and General Motors' "J" cars.

The R-9 is similar to the Ford Escort, Volkswagen's Rabbit and the middle-of-the-

road products of Nissan, Toyota and General Motors.

Renault's new model is not an exciting car, nor is it intended to be. It is a sensible-looking medium-sized, economical family sedan aimed at what its project director, Christian Martin, calls "a clientele attached to traditional values, who like classical-looking cars and generally only own one car, used mainly for weekends and vacations."

"Europe's Answer"

The R-9, a front-wheel-drive car available in 10 models based on the same chassis, will eventually be manufactured or assembled in Spain, Portugal, Mexico, South Africa and Taiwan. Renault also plans to build a U.S. version at the Kenosha, Wis., plant of American Motors, in which it has a 46.4 percent stake.

"The R-9 is Europe's answer to the second energy crisis," said Bernard Hanon, who takes over as president and chief executive of Renault next month. (The current chief at Renault, Bernard Vernier-Pallier, is

(Continued on Page 9, Col. 6)

## Japan Uses Wholesalers, Retailers As Market-Based 'Welfare System'

By Steve Lohr  
New York Times Service

OSAKA, Japan — In his demeanor, there is nothing to suggest that Isao Nakachi is a radical. His manner is reserved, almost stolid, and his dress is conservative — navy blue suit, French cuffs and the metal-framed glasses worn by so many Japanese businessmen.

Yet the 59-year-old president of Daiichi Inc., this nation's largest retailer, has been a kind of revolutionary in Japanese industry. Starting in 1957 with just one store and 13 workers, Mr. Nakachi introduced the supermarket concept to Japan. The measure of his success is shown by the growth of Daiichi since then. Today it is a trillion-yen-a-year diversified enterprise employing more than 17,000 persons and operating about 170 stores.

But Mr. Nakachi has led an assault on one segment of Japanese society: the intricate network, built up over generations, of more than 2 million distribution and retail companies. The retailers in particular tend to be small, family-run operations, with fewer than four employees each.

Large-scale, efficient concerns such as Daiichi can sell goods for less than the small retailers and often set up their own distribution systems.

### Restrictive Laws

But the distribution and retailing industries have traditionally served an important role in the Japanese economy. In the midst of Japan's rapid industrialization and urbanization, these two sectors have been a buffer, providing jobs for people released from the farms. The government to some degree encouraged their development by giving tax breaks to the proprietors of these small businesses.

Worried by the threat that Daiichi and other big operators posed to the small retailers and distributors — and the unemployment that might result — the government in the mid-1970s placed restrictions on the opening of large stores.

If a company wanted to build a store of a certain size, it needed the permission of the local merchants' group. In 1978-79, those restrictions were tightened, reducing the store size that required local approval. This year, the small retailers are lobbying hard to tighten the guidelines further.

Mr. Nakachi understands the reasoning behind the government program. "This is part of Japanese type of welfare system," he explained.

Indeed, one of the prevailing misconceptions about the Japanese economy is that it is uniformly efficient and productive. The success of Japan's showcase industries, such as autos, steel and consumer electronics, understandably has drawn the interest and envy of foreigners. Yet alongside these models of competitive vigor are several industries best known for inefficiency and waste, including large portions of the retailing and distribution industries, agriculture and some services.

It is a welfare system that exists in the private sector. It means higher consumer prices and lower corporate profits in parts of the Japanese economy, but it also means much lower unemployment than in most Western nations. The unemployment rate in Japan is about 2 percent, compared with 8 percent in the United States.

The efforts of the Japanese government to maintain these industries is also a key reason the distribution of income is so equitable here, which in turn is often cited as one explanation for the social cohesiveness of Japan. International comparisons of income distribution are difficult and inexact. But Japan probably has the most equally distributed income among its population of the developed nations, according to Hugh T. Patrick, a Yale economist and a specialist on Japan.

That certain industries have become a kind of social service in Japan is less the result of government policy than of the happenstance of history, culture and politics. But the government is trying to soften

(Continued on Page 9, Col. 3)

## Oil Finds Ease Fears Over Depletion of Tunisia's Reserves

By Pranay B. Gupta  
New York Times Service

TUNIS — Discovery of two major oil deposits here is easing Tunisia's worry that the rapid depletion of existing reserves would force it to import rather than export oil within the next three years.

The discoveries also could ease political tensions with Libya, which borders Tunisia on the east. Oil exports currently constitute Tunisia's biggest source of revenue, fetching this North African nation more than \$600 million a year.

This sum, plus about \$550 million from the booming tourism industry and another \$250 million from the sale of phosphates, helps to keep Tunisia's current account deficit to about \$300 million a year.

Until about three weeks ago, Tunisian and Western economists were convinced that by 1984, Tunisia's oil resources at the Borma and Ashtart fields, its two big producers, would run out and the country would be left without alternative resources.

Tunisia produces about 120,000 barrels of crude oil a day but is not a member of OPEC. The country consumes half of its oil domestically, and government figures show that the country's energy consumption has been increasing by 12 percent a year. "Tunisia's economy cannot generate sufficient

money to afford large-scale imports of oil," a senior Western diplomat here said.

The first of the recent discoveries was in the Chott Jerid dry lake, where an affiliate of the Standard Oil of Indiana sank two exploratory wells. Senior Western diplomats here say that by 1983, Tunisia will produce at least 50,000 barrels a day from wells in this area. The company has told Western sources here that it would sink about 30 wells in Chott Jerid.

The second find was near the eastern port resort of Sfax, where another U.S. oil company, Houston Oil & Minerals, tested deposits said to hold more than 10,000 barrels a day from one well alone. Exploration is continuing, and Western economists say they are optimistic.

"These two oil finds hold out very good prospects of a net export cushion," a European diplomat said.

Adding to the concern of officials here over the energy outlook has been a five-year dispute with Libya over drilling rights in the Mediterranean. Western sources have estimated that the Lix field, beyond the Gulf of Gabes, which borders the two nations, contains at least 2 billion barrels of high-quality, low-sulfur crude oil.

Both Tunisia and Libya have staked claims to this field, and the

World Court concluded hearings last week on the dispute. The court is expected to hand down a decision in three months that could serve as a guideline for the two countries to negotiate on the question of their respective shares of the continental shelf.

The claims and counterclaims to an area of possible oil discoveries are not the heart of the dispute, officials here say. "Rather, this is another case of the politicization of economics," said a senior Tunisian official at ETAP, the state-run oil company. "The Libyans don't really need that oil — they have reserves of billions of barrels elsewhere overseas."

In addition to the oil, the companies are reported to have found large amounts of natural gas. Tunisia currently imports most of its gas, and at Chott Jerid alone the gas reserves are said by knowledgeable Western diplomats to be at least 30 billion cubic meters.

## CURRENCY RATES

Interbank exchange rates for Nov. 13, 1981, excluding bank service charges.

	\$	£	D.M.	F.F.	Y.	S.F.	S.P.	S.R.	D.K.
Amsterdam	2,225	4.59	109.25	6.17	2,262	5.13	127.28	23.81	
Brussels (b)	2,225	4.59	109.25	6.17	2,262	5.13	127.28	23.81	
Frankfurt (b)	2,225	4.59	109.25	6.17	2,262	5.13	127.28	23.81	
London (b)	1,916	—	—	—	—	—	—	—	
Hong Kong	1,163	2.22	—	—	—	—	—	—	
New York	—	—	—	—	—	—	—	—	
Paris	5,576	10.22	228.00	—	4,715	—	12,222	27.26	
Zurich	1,732	3.51	71.28	—	1,732	—	4,715	—	
ECU	1,163	2.22	—	—	—	—	—	—	

	\$	£	D.M.	F.F.	Y.	S.F.	S.P.	S.R.	D.K.
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London (b)	1,916	—	—	—	—	—	—	—	
Hong Kong	1,163	2.22	—	—	—	—	—	—	
New York	—	—	—	—	—	—	—	—	
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## A Proliferation of Small Distributors in Japan Protects Jobs but Keeps Consumer Prices High

	Japan	U.S.	W. Germany
Wholesalers	369,000	383,000	116,000
Retailers	16.7 million	1.86 million	346,000
Population per Wholesaler	315	565	535
Population per Retailer	69	117	179
Employees per Wholesaler	10.0	9.4	10.0
Employees per Retailer	36.6	8.1	6.1

Source: Daiichi Marketing Consultants

## Liquidity in Credit Markets Lowers Cost of Borrowing

By Carl Gewirtz  
International Herald Tribune

PARIS — Midwest and Japanese banks are adding conspicuous amounts of liquidity to the international credit market, helping to keep borrowing terms low for countries that otherwise could be expected to pay more, bankers active in the Euro market report.

### SYNDICATED LOANS

mand a split 3/4 - 1/2 point margin over Libor on its \$250-million, 10-year loan. The terms, of course, match those Indonesia and Malaysia were just able to command. But Denmark's traditional lenders were unwilling to go beyond the six-year maturity they accepted on such tight terms earlier this year.

Ireland, which early this year borrowed \$250 million at a split 3/4 - 1/2 for 10 years, is looking for at least another \$150 million at the same terms. European bankers argue that Ireland, which they say has borrowed substantial amounts in private deals with individual banks, should normally not expect to repeat those low terms for more than eight years.

Argentina is another example of

## Investors Greet Slump In U.S. With Buying

By Carl Gewirtz  
International Herald Tribune

PARIS — The bad news of economic recession in the United States was good news for bond markets last week with short-term interest rates tumbling and analysts predicting more of the same as the slump deepens.

Overnight funds in New York ended the week at 12 1/2 percent, down from 13 1/2 percent on Monday, and Salomon Brothers economist Henry Kaufman predicted that this key rate, from which all other dollar-based interest charges are scaled, could drop below 11

### EUROBONDS

percent by next month. Mr. Kaufman sticks by his warning that next year there will be a whirlwind carrying interest rates to record highs. But in the near term, the trend is down.

Bond market operators and investors, who prefer the here and now to hazy scenarios of the future, only had eyes for the slide in interest rates and the concurrent rally in bond prices. Gains of up to 4 points — \$40 for each nominally valued \$1,000 security — were recorded in the rush to buy high-coupon bonds.

The buying stampede pushed yields sharply lower. White Weld Securities calculated that the aver-

(Continued on Page 9, Col. 3)

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November 9, 1981



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## Prices of Metals Seen Poised for an Upturn

By Lydia Chavez  
New York Times Service

**NEW YORK** — The market for metals may be languishing in recession, but the road back to higher prices — especially for copper, lead and zinc — is not expected to be as arduous as it was after the sharp business downturn of 1974-75. In fact, many analysts contend that even a slight increase in demand could send prices soaring.

The basis for such optimism stems from the fact that metal producers, taking a lesson from six years ago, have kept inventories lean. They have also benefited from a few fortuitous coincidences.

"The producers are better situated than they were in 1975," said Robert Gurno, an analyst with the Commodities Research Unit, an independent research firm. "They have had the good business sense to hold down inventories."

After the 1974-75 recession, a price recovery was delayed as producers worked off big stockpiles, which had accumulated after producers underestimated the severity of the recession.

### Lower Inventories

But now, as the U.S. economy enters a new downturn, inventories for copper, zinc and lead are much lower. Copper inventories in the United States, for example, now total 253,000 tons, significantly less than the 361,000 tons at the end of 1975.

"Copper is poised for a rapid increase in price, once the economy turns around," declared William Siedenburg, an analyst with Smith Barney, Harris Upham.

Baize Kerr, president of

**Ruling on Appeal May End LTV's Bid for Grumman**

**WASHINGTON POST SERVICE**

**NEW YORK** — A three-judge federal appeals panel has upheld a lower court's ruling on LTV's \$450-million bid to take over Grumman, and Wall Street analysts believe the decision effectively means the bid will be dropped.

In the recent LTV decision, the court said that the appeals court upheld the lower court's injunction — a ruling that prevents LTV from soliciting or paying for Grumman shares — the Dallas-based conglomerate would be forced to retract its bid.

On Friday, however, LTV Vice President Julian Scher said that although the company was "disappointed," corporate officials "haven't had a chance to review the decision" or determine what source of action LTV will take.

But the decision facing LTV is to spend months or even a year in a lengthy antitrust trial or to call off its takeover attempt. Wall Street sources said they expect LTV to drop the bid.

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Pennzill, which produces copper and molybdenum, added, "We expect copper prices to recover nicely because of low inventories, but molybdenum is going to take a little longer."

Other executives, however, caution that what are now comfortable inventory levels could rise quickly if metal companies do not watch production levels carefully or if the upturn in the economy is delayed more than six months.

"I think we should probably be cutting back on copper very soon," said William Vecini, president of Veeconco, a metal trader.

The high level of interest rates has given producers an added incentive to watch inventories. They have also been aided by pure happenstance.

Geoffrey Croome, an analyst with the Commodities Research Unit, said that one reason copper inventories had dropped to a more acceptable level at the outset of this recession was a decision made last year by Anaconda to close a smelter and export copper concentrate to Japan.

The price of copper is now down to about 82 cents a pound from 96 cents at this time last year. If the economy begins to recover in the middle of next year, the price of copper will jump to \$1.25 by the end of 1982, estimated Bette Rapaport, an analyst at Bache Halsey Smart Shidley.

**Subsidies Phased Out**

By comparison, copper prices in 1976 rose only 4 cents a pound, to about 69 cents, because producers still had to work off their big inventories, analysts say.

The same situation exists for lead inventories, which are 93 percent lower than they were in 1975, and zinc inventories, which are 73 percent lower. If the economy turns around by the middle of 1982, Mr. Vecini estimated, lead could reach about 45 cents a pound and zinc could reach 50 cents by the end of the year.

Alvan Sage, a St. Joe Lead and St. Joe Resources vice president, said the industry had managed to avoid high inventories because Gulf Resources & Chemical Corp. announced earlier this year that it would be phasing out operations of its Bunker Hill Co. if a buyer was not found. The subsidiary, based in Idaho, represents 20 percent of the domestic consumption of lead and zinc.

Analysts said their optimism about copper, lead and zinc did not apply to aluminum, nickel and molybdenum — especially molybdenum.

Mr. Siedenburg said a turnaround in demand would probably solve the buildup of aluminum and nickel inventories, although the price reaction would not be as strong for those metals.

"The metal that is fundamentally in trouble is molybdenum," he said. "There are a lot of people who are going to bring on additional production that will only add to the surplus."

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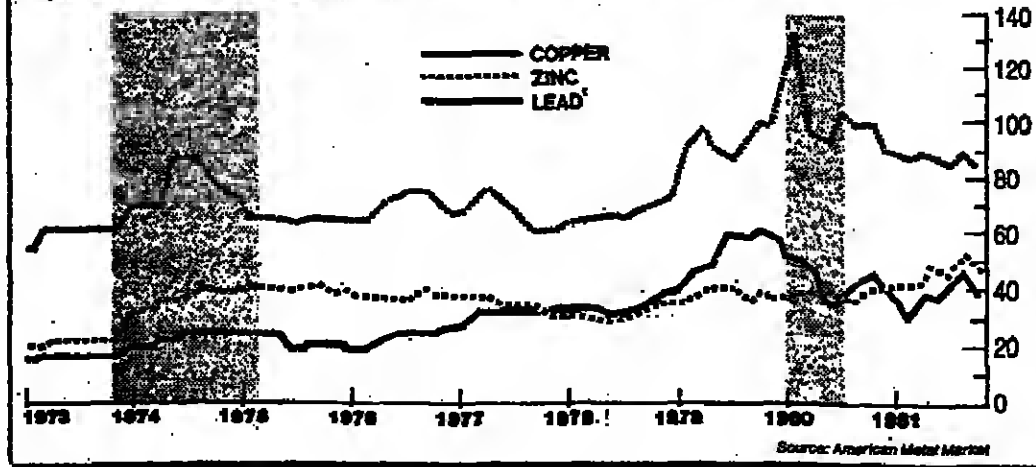
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## Industrial Metals Prices and the Business Cycle

Metals prices are monthly averages in cents a pound; shaded areas represent recessions as defined by the National Bureau of Economic Research



## Japan's Small Firms Play 'Welfare' Role

(Continued from Page 7)

the blow of economic change in industries that for a variety of reasons are struggling behind, according to Masaru Yoshitomi, chief economist of Japan's Economic Planning Agency.

"We're trying to keep this welfare within the market mechanism," Mr. Yoshitomi said. "But the basic direction of economic change is given by the market."

The inefficiency of the small-scale retailers and distributors as a mechanism for delivering goods to consumers is apparent in the high cost of many goods here. Japanese products sometimes cost more in Japan than they do in the United States.

Foreign business executives and government officials regard the distribution system as a restrictive barrier to selling in Japan. But the Japanese dispute this. Echoing the views of most Japanese government and business officials, Teruaki Koshida, a managing director of the Industrial Bank of Japan, said: "The Japanese distribution system is inefficient by American standards, but it is our system. Everyone has to

sell through it, our companies and foreign concerns alike."

Japan has about half the population of the United States and it covers less area than the state of California, but it has nearly as many distributors and retailers as the United States.

Goods change hands more often between distributors in Japan, before getting to the consumer, than is the case in most countries. In Japan the ratio of wholesale transactions for each retail sale in 1976 on average was 2.4 to 1, compared with 1.8 to 1 in the United States and West Germany. Each time one wholesaler sells to another distributor a profit is collected and the eventual price to the consumer increases.

Even Daiei has recognized this, opening up many smaller convenience stores in recent years. And of Daiei's president, Mr. Yoshitomi, "I'd call Nakazawa an 'evolutionary,' not a 'revolutionary.' The change in the retailing and distribution industries is occurring, but it's taking place slowly. And that's as it should be."

## Investors Greet Slump in U.S. With Buying

(Continued from Page 7)

standing Eurobonds are yielding 15 1/2 percent, was able to sell 10-year paper in New York to yield at 14 1/2 percent, the equivalent of 15.20 percent. Finland sold five-year paper at 14 1/2 percent in New York, about half a percentage point below what it could have done here, bankers estimated.

One exception was Du Pont, which borrowed nearly \$4 billion to pay for its \$7.7-billion summer takeover of Conoco and which needed to reduce the amount of short-term debt outstanding and to stretch the remainder into longer term obligations. In fact, Moody's rating service showed its triple-A rating of Du Pont's senior secured debt to double-A because of this.

### Bought Deal

Du Pont's decision to go ahead despite the fact that the cost here was about 20 basis points (100 equal 1 percentage point) more expensive than New York was taken as a sign that it will tap the New York market shortly as well.

Despite the fact that the issue was a "bought" deal (terms and conditions fixed at the outset by the lead manager), the final size and shape was rather far from first

indications. Credit Suisse First Boston announced it had bought a \$250-million issue that would be marketed to yield between 14 1/2 and 14 3/4 percent — the lowest coupon on seven-year paper since early summer.

But in light of the overwhelming demand, the size was increased to \$400 million and the coupon set at 14 1/2 percent. Asked how a "bought" deal could be made so flexible, a CSFB spokesman explained that the firm had underwritten the deal at fixed conditions, but told the borrower it would try to attain more attractive terms in the market. The Du Pont paper ended the week quoted at 9 3/4 for a yield of 14.65 percent.

Japan Airlines, which came to market for \$50 million for seven years, announced an indicated coupon of 15 1/2 percent but in light of the substantial demand cut the coupon to 15 1/4 percent and sold the paper at a discount of 99 1/2 to yield investors 15.37 percent. By the end of the week, the issue was quoted at 102 1/2, an effective yield of 14.65 percent.

Transco, a U.S. pipeline and energy company, sold \$50-million of seven-year paper at par bearing a coupon of 16 1/4 percent. The issue was quoted Friday at 100 1/2.

Colombia is seeking \$200 million for 10 years, offering to pay 1/2 point over Libor for the first three years and 3/4 point thereafter. The terms match those paid recently by Carbocel, but bankers justified the tight conditions then by noting that they were currying favor with Exxon, which was involved in that operation.

The Dominican Republic's Sugar Council is in the market for \$100 million. The loan, to finance harvesting and exporting the sugar crop, will run for nine months from first drawdown and pay 1 1/4 point over the three-month interbank rate.

From the United States, Middle South Energy Inc., a subsidiary of Middle South Utilities, is seeking a \$200-million, seven-year credit at 1 point over Libor.

Arab Latin American Bank is offering \$40 million of five-year floating rate certificates of deposit. Sold in units of \$250,000, the notes will bear a coupon set at a quarter

point over the six-month interbank rate.

The Canadian-dollar sector remained buoyant thanks to the still very high coupons offered. Canadian Utilities Ltd. is selling \$50 million Canadian dollars of 15-year bonds bearing a coupon of 17 percent. Its domestic Canadian paper is rated triple-A. Pricing, expected at par, will be set Tuesday. The bonds are non-callable for 10 years, an attractive feature to those who believe rates have peaked. A sinking fund will reduce the average life of the issue to 9 1/2 years.

Meanwhile, Ste. d'Hypothèque Procan, guaranteed by the National Bank of Canada, sold 35 million dollars of five-year paper at par bearing a coupon of 17 1/2 percent.

Prices of Deutsche mark-denominated bonds rose on average 1 1/2 points last week, reducing yields of seasoned issues to 10.70 from 11.05 percent a week ago. A 100 million DM offering of the EEC, sold at par bearing a coupon of 10 1/4 percent for 12 years, ended the week at 100 1/4 while Venezuela's 100 million DM of 10-year bonds, sold at par bearing a coupon of 11 1/2 percent, was quoted at 98 1/2.

Hydro Quebec is expected to launch 150 million DM of 10-year bonds this week bearing a coupon of 10 1/4 percent, and a 150-million DM, eight-year convertible for Mitsubishi Heavy Industries is being offered at par bearing a semi-annual coupon of 6 percent. A conversion premium of 5 percent is expected.

**Canadian Dollar Sector**

The Bank of Tokyo (Canada), guaranteed by the parent Japanese bank, is seeking \$100 million for 10 years, offering a coupon set at 1/4 point over the six-month interbank rate and guarantees a minimum coupon of 5 1/2 percent. Noteholders have the option of requesting redemption at par after the seventh year. These notes are being sold in minimum denominations of \$5,000.

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Hydro Quebec is expected to launch 150 million DM of 10-year bonds this week bearing a coupon of 10 1/4 percent, and a 150-million DM, eight-year convertible for Mitsubishi Heavy Industries is being offered at par bearing a semi-annual coupon of 6 percent. A conversion premium of 5 percent is expected.

**Canadian Dollar Sector**

The Bank of Tokyo (Canada), guaranteed by the parent Japanese bank, is seeking \$100 million for 10 years, offering a coupon set at 1/4 point over the six-month interbank rate and guarantees a minimum coupon of 5 1/2 percent. Noteholders have the option of requesting redemption at par after the seventh year. These notes are being sold in minimum denominations of \$5,000.

Arab Latin American Bank is offering \$40 million of five-year floating rate certificates of deposit. Sold in units of \$250,000, the notes will bear a coupon set at a quarter

point over the six-month interbank rate.

The Canadian-dollar sector remained buoyant thanks to the still very high coupons offered. Canadian Utilities Ltd. is selling \$50 million Canadian dollars of 15-year bonds bearing a coupon of 17 percent. Its domestic Canadian paper is rated triple-A. Pricing, expected at par, will be



*Provided by White Weld Securities, London; a Division of Financiere Credit Suisse - First Boston*

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## Language Zapped Again

By William Safire

NEW YORK — When you push somebody out of a window, how would you describe the sound the person makes as he heads for the asphalt 40 stories below?

The answer, as any reader of old comic books will quickly tell you, is "Aieeeee!" — sometimes spelled "Aieeeee!" It is the nearest written approximation of a scream — not perfect, but an improvement over "Eek!" which is now used exclusively by people leaping on chairs to escape mice. A strangled scream is spelled "Arrgh!"

These thoughts on how to transmit grunts (ugh!) and sounds that make sense but are not words (umh?) come to mind in an investigation of the origin of a sound word that is beginning to make it as a real word: "zap."

To zap someone is "to let him have it" — to strike as if by thunderbolt.

The word's recent popularity stems from the comic strip "B.C." by Johnny Hart, in which the word is used accompanied by a lightning bolt; the "z" in "zap" reinforces the sharp angles of the stylized lightning. In the Barnhart Dictionary of New English Since 1963, an older origin is indicated: zap, interjection used in the comic-strip balloons of Buck Rogers and Flash Gordon to render graphically the blast of space guns.

The novelist Ray Russell, who lives in Beverly Hills, caught my reference to the adoption of "zap" as a useful and colorful bit of informal English, and informs me that the word's coinage was Philip Francis Nowlan, who originated the character of Buck Rogers.

Buck Rogers, a man of our time thrust forward in time (actually, back in time, when you think about it) to the 25th century, was introduced in the August, 1928, issue of Amazing Stories. Nowlan teamed up with Dick Calkins, an artist, to produce the comic strip the next year.

Nowlan also coined the now-common word "ZAP!" — the sound emitted by the paralytic gun, writes Russell. "A handy little

gadget that foreshadowed today's tranquilizer rifle."

Such specific coinage deserves recording here. When you are mildly zapped, it is correct to say, "Arrgh!" "Aieeeee!" when the zapping causes vibrations, the only thing to say is "Boing!"

LEXICOGRAPHIC irregulars were asked recently for the origin of "when push comes to shove," which means "when the chips are down."

A.J. Gracia of Southbury, Conn., holds that it comes from the English game of rugby: "In a rugby scrum," the opposing forwards huddle closely together over the ball, meanwhile trying to push each other off the ball so that they might kick it to their own team. When push comes to shove, the game is on.

Student unrest in the 1960s was often pointed to as the root of the expression, perhaps responsible for the title of a 1970 book by Harvard student Steven Kelman, "Push Comes to Shove."

Most irregulars, however, ascribe the phrase to street argot. "All disagreements between boys follow a predictable pattern," observes Thomas Connolly of Fairfield, Conn. "First come the angry words, then the testing push, and finally, assuming the other pushes back, the more forceful shove. At this point, there is no turning back; one has committed himself to a fist fight."

Donna Florence of New York joins those who believe the expression has a black origin: "I first heard it when I was a freshman at UCLA. My dormitory roommate, a sophomore from nearby Culver City, who taught all of us on Sproul Hall's fifth floor the latest dances and street talk, used that phrase to mean 'worst comes to worst.'"

"When I credited her with having invented the phrase, Andriette assured me it had been around (at least in Southern California's black community) for several years."

A scientific examination of the submitted data (I flipped through the letters that came in on this) prods me toward acceptance of a black-English origin. The most fanciful etymology, however, came from Lynn Kurtz, an assistant principal of a school in Manhattan: "My grandfather left Poland when the Poles came to Zaczew."

## Tracking Down the Rare Bowerbird

U.S. Scientist Reports on an Ornithologist's Dream Discovery

By Bayard Webster

NEW YORK — While walking through a tangle of fallen trees and vines in the mountains of New Guinea, the ornithologist Jared Diamond said he heard a strange birdcall, a sound like someone shoveling gravel. He suspected at once he might be hearing a rare bird known for decades to exist but never before seen by any scientist.

Creeping forward, Diamond recalls, he came upon a brightly colored bird about the size of a blue jay standing in front of an edifice it had constructed, a 4-foot-high bower of long sticks and fronds in the shape of a Maypole around a sapling. Three piles of brightly colored fruit were meticulously laid out around the bower. A female was perched nearby, watching the male's performance.

Diamond says this courting scene was the most dramatic confirmation of what he was certain he had glimpsed earlier in the forest: a yellow-fronted bowerbird, which ornithologists had been seeking for decades.

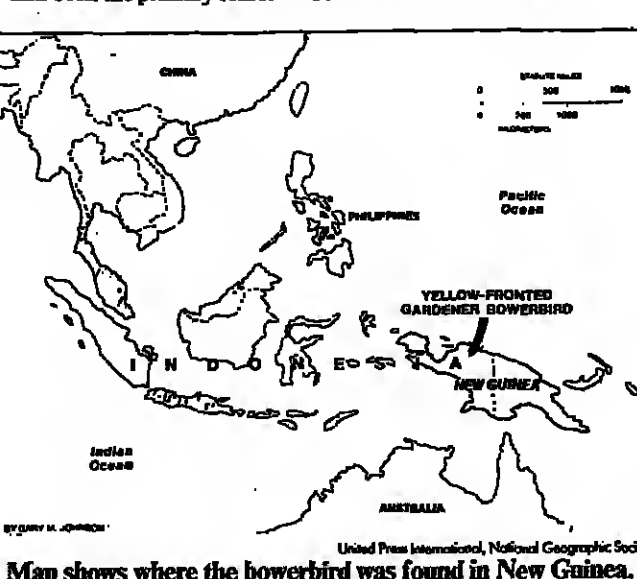
Courting Behavior Is Described

Diamond, a physiologist and ornithologist at the University of California at Los Angeles, announced the sighting at a new conference recently in Washington at the National Geographic Society, which, with the World Wildlife Fund, had sponsored his research. It was Diamond's eighth ecological and park-surveying expedition in New Guinea.

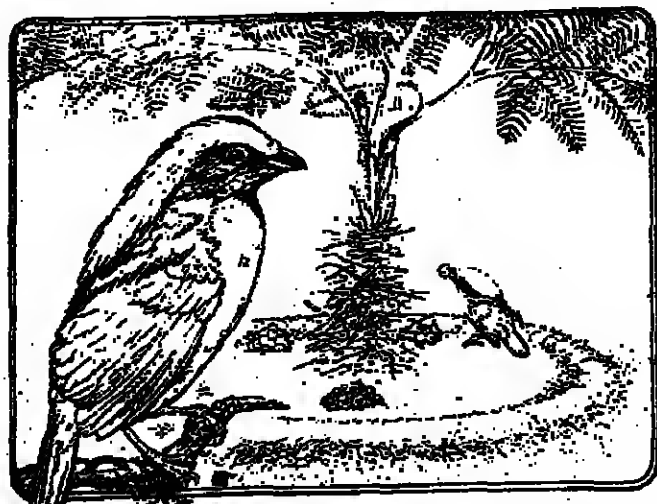
"The male bird held a bright blue fruit in its bill and pointed it toward the female so it always could be seen against the background of its brilliant orange crest," said Diamond in an interview. It was the kind of elaborate behavior typical of bowerbirds in courting, he said. As he watched, Diamond said, the male also raised his golden crest and caused it to quiver while displaying the fruit and uttering a variety of odd cries at the same time.

"I watched the performance for 20 minutes," the ornithologist said, "but the male didn't succeed in his wooing and the female flew off."

Dr. Donald Bruning, curator of birds at the American Museum of Natural History here, called the report "very exciting." The museum has three skins it acquired in the 1920s that, up to now, had been the primary reason to believe such a bird existed.



Map shows where the bowerbird was found in New Guinea.



Artist's sketch of the yellow-fronted bowerbird and its bower.

"Of course I'd like to have seen the bird myself," he said. "But it was just a question of someone getting to the place where the bird lived because no one knew exactly in what part of Asia the skins had been obtained."

Diamond said he had taken pictures of the bird, but while traveling in a small boat from one island to another in treacherous waters, the boat capsized and the film was lost.

In the last several decades more than a dozen expeditions have been made in hopes of seeing the yellow-fronted bowerbird, but none succeeded.

Male bowerbirds are known for their colorful plumage and their ability to use sticks, tree limbs, ferns, pebbles, eggshells, flowers, fruit and other colorful objects to build elaborately decorated "bowers" up to eight feet high.

And, like only a few other animals, they use tools such as twigs or leaf stems to paint their bowers with vivid colors made from crushed fruit. Having finished the bowers, the males display their brilliantly colored crests, hold fruit in their bills and utter a variety of strange sounds, all for the sole purpose of luring and mating with an enthralled female.

C. Evelyn Hutchinson, the noted Yale University biologist, has called such behavior "in its many-sidedness and uniqueness, without parallel in the animal world."

Diamond said he was primarily seeking to gather data on flora and fauna for the Indonesian government.

"But every scientist who came here had a dream in the back of his mind about finding the bird — the Mystery Bird of New Guinea," said Diamond.

According to Diamond, the dream had its genesis in 1895 when the only three known skins in existence were sold at a bird-plume market in Britain to Lord Walter Rothschild, an amateur ornithologist and member of the well-known banking family. Skins and feathers of many more bowerbird species and of their close relatives, the birds of paradise, were also sold for women's ornaments.

But in the meantime, ornithologists who had seen the Rothschild and other skins began to travel to Asia to see the birds in their native habitat and to identify and classify them. Since bowerbirds live at relatively high elevations in the mountains of New Guinea and northern Australia, expeditions had difficulty in reaching their habitats. But by the 1920s all but the yellow-fronted bowerbird, *Amphornis flavifrons*, had been seen and identified in the wild.

## Letter From Moscow Preparing for Winter

By John Moody

MOSCOW — How do Russians prepare for the onslaught of their ferocious winters?

Some people recommend eating more to build up an extra layer of body fat. Others go to great lengths to pickle, can, salt and dry foods that can be broken out during the long months when little fresh produce is available. Still others do nothing, trusting instead in the predictions of mysterious, irascible and generally lovable babushkas who are convinced they foresee the future, or at least the future weather.

By mid-October, the cool breeze that brought relief from summer heat has turned to a whistling wind that penetrates sweaters and light jackets. Most Muscovites had already brought out their heaviest coats and chapskas, the fur hats with ear flaps. Those who were waiting for the first frost to buy a new leather coat or hat had a rude shock — those items jumped about 30 percent in price in September.

Open Black Market

But black market sales of used coats, hats and boots go on openly at most of Moscow's farmers' markets, and business lately has been picking up.

Just as much in demand are imperishable foodstuffs. Most of the lush fruits and vegetables from the southern republics of Georgia and Central Asia disappeared in the capital recently. The staple items until springtime are potatoes, dried fish, cabbage when available, pickled mushrooms and peppers, and whatever meat is available from day to day.

A recent excursion to several government produce stores found fatty cuts of beef — unrefrigerated — selling for 2 rubles a kilo (31.60 a pound), potatoes at 34 kopecks for 3 kilos (about 55 cents), tinned sardines for a ruble and salad greens like dill and parsley for 30 kopecks a handful.

Few Freezers

Few Russians have deep freezers, so produce bought now must be preserved in other ways. "Now what you do," said an old woman, "is boil the potatoes, the fish, the greens with a lot of garlic, then put it in jars. You can eat it all through the winter."

Pickled mushrooms sell at open markets for 9 rubles for a 4-kilo

jar. The smiling vendor guaranteed they would last through the winter. They should — they smell like gasoline with garlic in it.

Other women sell mushrooms that have been dried and strung together — an arduous process, apparently, for they command 15 rubles for about 30 mushrooms. They can be rehydrated by flinging them into soup.

"They're not as good as fresh, of course, but they're mushrooms in the winter," said the persuasive saleswoman. Her stout figure was no accident, and she explained the reason: "We always eat very big meals before winter. Thin people get sick most of the winter."

Among others who know how to get through the winter are the babushkas. Stereotypically they are gaunt and wrinkled widows or old maids anywhere between the ages of 50 and 500. With only a little urging they will prognosticate the specific characteristics of the coming winter — the first snowfall, the length and ferocity of the season's grip on Russia, and the first safe day for planning spring crops with no fear of their being frozen.

Their methods, shrouded in secrecy and legend, could well prove as accurate as those of the most modern meteorologists. And if they are not, there is always next year.

## Pop Group Leader In Czechoslovakia Reportedly Held

VIENNA — The leader of the Czechoslovakian pop group Plastic People has been arrested in Prague as part of what was described as a government crackdown on underground music circles in Czechoslovakia, émigré sources have said.

Ivan Jirous, 37, and three others remained jailed after being arrested and charged Tuesday with "disturbances of the public peace," the sources said Saturday.

House were searched in Prague, Teplice and two other cities, the sources said. At least nine persons were taken into custody, although most were later released.

Frantisek Starek, Milan Fric and M. Hybek were in jail along with Mr. Jirous because of their alleged connection to the underground cultural magazine Vokno.

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